S. HRG. 99-73

ALASKA NATIVE CLAIMS SETTLEMENT ACT AMENDMENTS; PETRIFIED FOREST NATIONAL PARK; AND THE PHILLIP BURTON WILDERNESS

HEARING

BEFORE THE

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER AND RESOURCE CONSERVATION

OF THE

COMMITTEE ON ENERGY AND NATURAL RESOURCES UNITED STATES SENATE

NINETY-NINTH CONGRESS

FIRST SESSION

ON

S. 444

A BILL TO AMEND THE ALASKA NATIVE CLAIMS SETTLEMENT ACT

S. 488

A BILL TO AMEND THE ACT ESTABLISHING THE PETRIFIED FOREST NATIONAL PARK

H.R. 1185

AN ACT TO AMEND THE ACT ESTABLISHING THE PETRIFIED FOREST NATIONAL PARK

S. 543

A BILL TO DESIGNATE THE WILDERNESS IN THE POINT REYES NATIONAL SEASHORE IN CALIFORNIA AS THE PHILLIP BURTON WILDERNESS

H.R. 1373

AN ACT TO DESIGNATE THE WILDERNESS IN THE POINT REYES NATIONAL SEASHORE IN CALIFORNIA AS THE PHILLIP BURTON WILDERNESS

APRIL 29, 1985

Printed for the use of the
Committee on Energy and Natural Resources

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JAMES A. McCLURE and J. BENNETT JOHNSTON are Ex Officio Members of the Subcommittee

TONY BEVINETTO, *Professional Staff Member*

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ALASKA NATIVE CLAIMS SETTLEMENT ACT AMENDMENTS; PETRIFIED FOREST NATIONAL PARK; AND THE PHILLIP BURTON WILDERNESS

MONDAY, APRIL 29, 1985

U.S. SENATE,
SUBCOMMITTEE ON PUBLIC LANDS, RESERVED
WATER AND RESOURCE CONSERVATION,
COMMITTEE ON ENERGY AND NATURAL RESOURCES,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:01 a.m., in room SD-366, Dirksen Office Building, Hon. Malcolm Wallop, presiding.

Present: Senators Wallop, Murkowski, Hecht, and Melcher.

Also present: Tony Bevinetto, professional staff member; and Thomas B. Williams, professional staff member for the minority.

OPENING STATEMENT OF HON. MALCOLM WALLOP, A U.S. SENATOR FROM THE STATE OF WYOMING

Senator WALLOP. This morning the Subcommittee on Public Lands, Reserved Water and Resource Conservation will hear testimony on S. 444, to amend the Alaska Native Claims Settlement Act, S. 488 and H.R. 1185, to amend the act establishing the Petrified Forest National Park, and S. 543 and H.R. 1373, to designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness. Without objection, I will place a copy of each of these bills in the hearing record.

The hearing record will remain open for 2 weeks after today, during which time written testimony on any of these matters can be submitted to the subcommittee.

In the interest of time I will ask the witnesses to summarize their written statements. All written comments may be provided and the entire testimony, oral and written, will be included in the record.

For the record, Senator DeConcini has a statement to be inserted.

[The texts of the bills, Department reports and the prepared statement of Senator DeConcini follow:]

99TH CONGRESS
1ST SESSION

S. 444

To amend the Alaska Native Claims Settlement Act.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 7 (legislative day, JANUARY 21), 1985

Mr. MURKOWSKI (for himself and Mr. STEVENS) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

---

A BILL

To amend the Alaska Native Claims Settlement Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The Alaska Native Claims Settlement Act (43 U.S.C. 1601, et seq.) is amended by adding at the end thereof the following new section.

"SEC. 42. The Secretary shall convey to NANA Regional Corporation, Incorporated, in accordance with the terms and conditions set forth in an agreement entitled 'Terms and Conditions Governing Legislative Land Consolidation and Exchange between NANA Regional Corporation, Incorporated, and the United States,' which was executed by the parties on January 31, 1985, lands and interests in lands in exchange for lands and interests in lands of NANA Regional Corporation, Incorporated, upon fufillment by NANA Regional Corporation, Incorporated, of its obligations under said agreement."

○

99TH CONGRESS
1ST SESSION

S. 488

To amend the Act establishing the Petrified Forest National Park.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 21 (legislative day, FEBRUARY 18), 1985

Mr. GOLDWATER (for himself and Mr. DECONCINI) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

---

A BILL

To amend the Act establishing the Petrified Forest National Park.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of March 28, 1958 (72 Stat. 69), to establish the Petrified Forest National Park, is amended by inserting the following at the end thereof:

"Township 19 north, range 24 east: The southwest quarter of the southwest quarter of section 27.".

○

99TH CONGRESS
1ST SESSION

H. R. 1185

IN THE SENATE OF THE UNITED STATES

APRIL 3 (legislative day, FEBRUARY 18), 1985
Received; read twice and referred to the Committee on Energy and Natural Resources

AN ACT

To amend the Act establishing the Petrified Forest National Park.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of March 28, 1958 (72 Stat. 69), to establish the Petrified Forest National Park, is amended by inserting the following at the end thereof: "township 19 north, range 24 east: the southwest quarter of the southwest quarter of section 27.".

Passed the House of Representatives April 2, 1985.

Attest: BENJAMIN J. GUTHRIE,
Clerk.

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

MAY 17 1985

SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES
RECEIVED
MAY 21 1985
WASHINGTON, D.C. 20510

Honorable James A. McClure
Chairman, Committee on Energy and
Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

This responds to your request for our views on H.R. 1185, an act "To amend the Act establishing the Petrified Forest National Park."

We recommend that this legislation be enacted.

H.R. 1185, as passed by the House of Representatives, would add approximately 40 acres of land, known as Tract 236, to the eastern boundary of Petrified Forest National Park in the State of Arizona. The Petrified Forest was set aside on December 8, 1906, to preserve examples of trees that have petrified, or changed to multicolored stone; Indian ruins and petroglyphs; and portions of the colorful Painted Desert. The Act of March 28, 1958, authorized the establishment of this area as a national park and also authorized a boundary adjustment. The park was officially established on December 9, 1962, and currently consists of 93,492.57 acres of federally owned land.

On January 11, 1985, former National Park Service Director Russell Dickenson received a letter from Mr. Mark Michel, President of the Archeological Conservancy, stating the Conservancy's wish to donate this particular parcel should they be successful in acquiring the tract. It is our understanding that the Archeological Conservancy consummated the purchase of the surface rights in early February of this year. Further, it is our understanding that the Santa Fe Mining Company owns the subsurface estate, and there is the possibility of an exchange with the Bureau of Land Management under the Federal Land Policy and Management Act of 1976 of the subsurface rights. Assuming that the subsurface estate could be acquired by donation or by equal-value exchange, this legislation, if enacted, would put the National Park Service in a position to be able to accept the donation of this 40-acre tract of land. It is our intention not to accept title to a split estate.

Tract 236 contains a very important pre-Columbian ruin, but it has been neither mapped nor studied. It is situated just outside the eastern boundary of the park on the edge of a steep promontory of a wide mesa overlooking the valley of Dead Wash. The site consists of a small pueblo that appears to be preplanned, and what is assumed to be a dance court. The pueblo contains a block of at least five rooms and perhaps two kivas, one of which may be a circular abobe inside a rectangular stone room. While some collected pottery has been previously identified by Laurens Hammack of the Arizona State Museum as "Pueblo II", dated between 1000 and 1100 A.D., complete studies have not been conducted on this site.

The National Park Service was recently informed by the Petrified Forest Museum Association that the Association will donate $5,000 for archeological research in the park. Other costs associated with the donation of Tract 236 would include several thousand dollars worth of labor to install a partial fence around the site to help keep out trepass cattle and poachers of Indian pottery. The park already has sufficient fencing material to accomplish the job, so the cost of labor would be absorbed within existing funding and staffing. Finally, any additional patrolling that may be necessary would be absorbed with existing staff and within existing funds.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

J. Craig Potter

ACTING ASSISTANT SECRETARY

99TH CONGRESS
1ST SESSION

S. 543

To designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 28 (legislative day, FEBRUARY 18), 1985

Mr. CRANSTON (for himself and Mr. WILSON) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

---

A BILL

To designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PHILLIP BURTON WILDERNESS.

(a) In recognition of Congressman Phillip Burton's dedication to the protection of the Nation's outstanding natural, scenic, and cultural resources and his leadership in establishing units of the National Park System and preserving their integrity against threats to those resources and specifically his tireless efforts which led to the enactment of the California Wilderness Act of 1984, the designated wilderness area

of Point Reyes National Seashore, California, (established pursuant to Public Law 94–544) is hereby designated as the "Phillip Burton Wilderness".

(b) In order to carry out the provisions of this Act, the Secretary of the Interior is authorized and directed to provide such identification by signs, including, but not limited to changes in existing signs, materials, maps, markers, interpretive programs or other means as will adequately inform the public of the designation of the wilderness and the reasons therefor.

(C) REFERENCES.—Nothing in this Act shall affect the management of (or the application of any rule, regulation, or provision of law to) any area within the Point Reyes National Seashore, except that all references to the "Point Reyes Wilderness" or to "the wilderness in the Point Reyes National Seashore" which appear in any rule, regulation, provision of law or other official document shall hereafter be deemed to be references to the Phillip Burton Wilderness Area.

(d) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

SENATE COMMITTEE ON
ENERGY AND NATURAL RESOURCES
RECEIVED MAY - 7 1985
MAY 13 1985
WASHINGTON, D.C. 20510

Honorable James A. McClure
Chairman, Committee on Energy and
Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

This responds to your request for our views on S. 543, a bill to designate the 25,370 acre wilderness in the Point Reyes National Seashore in California as the "Phillip Burton Wilderness".

We recommend that this legislation not be enacted.

The naming of units of the National Park System, or parts thereof, for former members of Congress would be contrary to the policy that Congress has followed since the first national park was established in 1872, and it would be contrary to the policy expressed by the Committees on Interior and Insular Affairs when the Point Reyes Wilderness was designated in 1976. Further, the Congress in 1983 dedicated the Golden Gate National Recreation Area to Congressman Phillip Burton "in recognition of his leadership in establishing the Golden Gate National Recreation Area, his outstanding contributions to the National Park System, the Wilderness Preservation System, and to the protection and preservation of our great natural and cultural resources for the benefit of the people of the United States for all time." (P.L. 98-28)

Congressional policy with respect to the naming of parks for members of Congress or other contemporary individuals has been either to name a visitor center after the individual, such as was done for Representative Clem Miller at Point Reyes National Seashore, or to dedicate the area to the memory of the individual, such as was done for Representative Phillip Burton at Golden Gate National Recreation Area and for Representative Gladys Noon Spellman at the Baltimore-Washington Parkway. In no instance has the Congress renamed a park or a unit of a park after a former member of Congress.

We have understood the policy of the Congress to be that which characterized the Committees' action on the Point Reyes wilderness legislation in the 94th Congress. H.R. 8002 would have designated three wilderness units in Point Reyes National Seashore, one to be named the "Point Reyes Clem Miller Wilderness." The House Committee on Interior and Insular Affairs reported a substitute. The substitute directed the Secretary to designate the principal environmental education center within the seashore as the "Clem Miller Environmental Education Center," to commemorate the vision and leadership of the late Congressman in the establishment of the seashore. The Committee report (number 94-1680, dated September 24, 1976, at page 4) stated as follows:

> "The Committee felt this would be a most suitable approach for recognizing the contributions of this individual, and would be consistent with both the Committee's and the National Park Service's policies with regard to the application of names of persons to and within units of the National Park System."

The Senate Committee on Interior and Insular Affairs also adopted language directing the Secretary to designate the Clem Miller Environmental Education Center in its report of September 29, 1976, on H.R. 13160, a bill designating wilderness in several national park areas. The Senate Committee amended the bill to add the Point Reyes Wilderness and require the designation of the visitor center. The Senate Committee, in its report (number 94-1357, at page 7), stated:

> ". . . a new section is included which honors the late Clem Miller, who was instrumental in achieving the establishment of Point Reyes as a national seashore, by designating the principal environmental education center within the seashore as the Clem Miller Environmental Education Center'."

Enacted into law in the 94th Congress, this legislation designated wilderness "to be known as the Point Reyes Wilderness" at Point Reyes, and provided for the Clem Miller Environmental Education Center.

Therefore, we urge the Committee to adhere to earlier precedents and not establish the precedent embodied in S. 543. Representative Phillip Burton's contributions to the National Wilderness Preservation System and the National Park System have already been recognized in Public Law 98-28, cited above. Pursuant to that law, there will be a memorial to Mr. Burton maintained within Golden Gate National Recreation Area. We believe Public Law 98-28 is the appropriate way of commemorating his work on behalf of conservation.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

Susan Recce

Acting DEPUTY ASSISTANT SECRETARY Susan Recce

99TH CONGRESS
1ST SESSION

H. R. 1373

IN THE SENATE OF THE UNITED STATES

APRIL 3 (legislative day, FEBRUARY 18), 1985
Received; read twice and referred to the Committee on Energy and Natural Resources

AN ACT

To designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PHILLIP BURTON WILDERNESS.

(a) In recognition of Congressman Phillip Burton's dedication to the protection of the Nation's outstanding natural, scenic, and cultural resources and his leadership in establishing units of the National Park System and preserving their integrity against threats to those resources and specifically his tireless efforts which led to the enactment of the California Wilderness Act of 1984, the designated wilderness area of Point Reyes National Seashore, California as established

pursuant to law, shall henceforth be known as the "Phillip Burton Wilderness".

(b) In order to carry out the provisions of this Act, the Secretary of the Interior is authorized and directed to provide such identification by signs, including, but not limited to changes in existing signs, materials, maps, markers, interpretive programs or other means as will adequately inform the public of the designation of the wilderness and the reasons therefor.

(c) REFERENCES.—Nothing in this Act shall affect the management of (or the application of any rule, regulation, or provision of law to) any area within the Point Reyes National Seashore, except that all references to the "Point Reyes Wilderness" or to "the wilderness in the Point Reyes National Seashore" which appear in any rule, regulation, provision of law or other official document shall hereafter be deemed to be references to the Phillip Burton Wilderness Area.

(d) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Passed the House of Representatives April 2, 1985.

Attest: BENJAMIN J. GUTHRIE,

Clerk.

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES
MAY 17 1985
RECEIVED
WASHINGTON, D.C. 20510

Honorable James A. McClure
Chairman, Committee on Energy and
Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

This responds to your request for our views on H.R. 1373, an act "To designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness."

We recommend that this legislation, which would rename 25,370 acres of the Point Reyes National Seashore, not be enacted.

The naming of units of the National Park System, or parts thereof, for former members of Congress would be contrary to the policy that Congress has followed since the first national park was established in 1872, and it would be contrary to the policy expressed by the Committees on Interior and Insular Affairs when the Point Reyes Wilderness was designated in 1976. Further, the Congress in 1983 dedicated the Golden Gate National Recreation Area to Congressman Phillip Burton "in recognition of his leadership in establishing the Golden Gate National Recreation Area, his outstanding contributions to the National Park System, the Wilderness Preservation System, and to the protection and preservation of our great natural and cultural resources for the benefit of the people of the United States for all time." (P.L. 98-28)

Congressional policy with respect to the naming of parks for members of Congress or other contemporary individuals has been either to name a visitor center after the individual, such as was done for Representative Clem Miller at Point Reyes National Seashore, or to dedicate the area to the memory of the individual, such as was done for Representative Phillip Burton at Golden Gate National Recreation Area and for Representative Gladys Noon Spellman at the Baltimore-Washington Parkway. In no instance has the Congress renamed a park or a unit of a park after a former member of Congress.

We have understood the policy of the Congress to be that which characterized the Committees' action on the Point Reyes wilderness legislation in the 94th Congress. H.R. 8002 would have designated three wilderness units in Point Reyes National Seashore, one to be named the "Point Reyes Clem Miller Wilderness." The House Committee on Interior and Insular Affairs reported a substitute. The substitute directed the Secretary to designate the principal environmental education center within the seashore as the "Clem Miller Environmental Education Center," to commemorate the vision and leadership of the late Congressman in the establishment of the seashore. The Committee report (number 94-1680, dated September 24, 1976, at page 4) stated as follows:

> "The Committee felt this would be a most suitable approach for recognizing the contributions of this individual, and would be consistent with both the Committee's and the National Park Service's policies with regard to the application of names of persons to and within units of the National Park System."

The Senate Committee on Interior and Insular Affairs also adopted language directing the Secretary to designate the Clem Miller Environmental Education Center in its report of September 29, 1976, on H.R. 13160, a bill designating wilderness in several national park areas. The Senate Committee amended the bill to add the Point Reyes Wilderness and require the designation of the visitor center. The Senate Committee, in its report (number 94-1357, at page 7), stated:

> ". . . a new section is included which honors the late Clem Miller, who was instrumental in achieving the establishment of Point Reyes as a national seashore, by designating the principal environmental education center within the seashore as the Clem Miller Environmental Education Center'."

Enacted into law in the 94th Congress, this legislation designated wilderness "to be known as the Point Reyes Wilderness" at Point Reyes, and provided for the Clem Miller Environmental Education Center.

Therefore, we urge the Committee to adhere to earlier precedents and not establish the precedent embodied in H.R. 1373. Representative Phillip Burton's contributions to the National Wilderness Preservation System and the National Park System have already been recognized in Public Law 98-28, cited above. Pursuant to that law, there will be a memorial to Mr. Burton maintained within Golden Gate National Recreation Area. We believe Public Law 98-28 is the appropriate way of commemorating his work on behalf of conservation.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

J. Craig Potter

ACTING ASSISTANT SECRETARY

STATEMENT BY SENATOR DENNIS DeCONCINI
ON S. 448 AND H.R. 1185
APRIL 29, 1985

Mr. Chairman, I appreciate the opportunity to express my support for S. 488 and H.R. 1185, legislation to expand the Petrified Forest National Park to include a highly significant archeological site.

The proposed addition to the Park takes in 40 acres of land adjacent to the existing boundary. It contains prehistoric Anasazi Indian ruins dating back to about 1100 A.D. This land is in pristine condition and is one of the best examples of an undisturbed, prehistoric Anasazi ruin left in the Southwest today. It is an integral part of the history of the Petrified Forest, and its addition to the park would contribute significantly to the preservation of the cultural history of the region as well as the visitor interpretation program at the Park.

The Archaelogical Conservancy, a private non-profit organization dedicated to the acquisition and preservation of the nation's important archeological sites, has purchased this property and has offered to donate it to the Park Service free of charge. Through the dedication and generosity of the Archaelogical Consevancy, we have a rare opportunity to join with concerned citizens in preserving a ruin that may shed new

insight on the relationship between two great prehistoric cultures; the Anasazi centers at Mesa Verde; Colorado and Chaco Canyon, New Mexico; and the Hohokam of the Gila and Salt River Valleys.

Mr. Chairman, I believe that as we in Congress are focusing our attentions on the immediate problems facing this great country, we should also take a step back and explore the heritage of our country to gain a better perspective of ourselves. We have a duty as legislators to protect our nation's cultural history. Once this site is turned over to the National Park Service, scientific research can begin and its artifacts will be protected for future generations to study and interpret.

I wish to express my gratitude to the Archaeological Conservancy for their generous gift to the American people. I join with my colleague, Senator Goldwater, in support of this important legislation and urge the Committee to take favorable action.

Senator WALLOP. The first witness is my friend and colleague, the Honorable Barry Goldwater, a Senator from Arizona.

STATEMENT OF HON. BARRY GOLDWATER, A U.S. SENATOR FROM THE STATE OF ARIZONA

Senator GOLDWATER. Thank you, Senator.

Mr. Chairman, thank you for giving me this opportunity to testify in support of S. 488, a bill which amends the act establishing the Petrified Forest National Park in northeastern Arizona. This proposal would simply alter the eastern boundary of the park by including an adjacent 40-acre parcel on which lies a major Anasazi village dating from A.D. 900–1100. The Anasazi Indians, whose civilization has been dated from A.D. 1 and whose territory covered the Four Corners area of Colorado, Arizona, New Mexico, and Utah, have modern day descendants among such tribes as the Hopi, Zuni, and the Rio Grande Pueblos of New Mexico.

The archeological site, located on the 40-acre parcel, is known as site 236 and is thought to be the most significant and one of the best preserved areas in eastern Arizona, which is not included in the park. There are at least 330 recorded archeological sites dating

from early archaic to the 19th century in the Petrified Forest National Park. This particular site is unusual due to the presence of a large circular depression near the village which is thought to be either a dance circle or a great kiva.

The surface rights of the 40 acres have been purchased by the Archaeological Conservancy of Santa Fe, NM, and this organization will donate the property to the National Park Service for inclusion in the park. The donation and inclusion of this tract would not change the land's present use as it is closed to grazing and other uses.

As for the subsurface mineral rights owned by the Santa Fe Pacific Railroad Co., I have been assured by the Bureau of Land Management officials that they will move as quickly as possible to effect an exchange for BLM mineral interests elsewhere in Arizona.

Mr. Chairman, site 236 is an integral part of the park's cultural history and inclusion in the park would provide it with protection from looters. I think it is incumbent upon us to protect and preserve our Nation's prehistoric and historic resources, and I urge the committee's favorable consideration of this legislation.

And I thank you very much, Mr. Chairman, for hearing me this morning.

Senator WALLOP. Thank you. We know of no particular problems on this, and appreciate your bringing it to us. I guess there is some minimal problem with regard to the mineral estate owned by the Santa Fe. Tony tells me that BLM wrote a letter to the National Park Service Friday saying that they will move the exchange.

Senator GOLDWATER. Well, as you know, you living in the West where they built railroads a long time ago, they gave the Santa Fe every other section of land across Arizona. This land, however, is devoid of minerals as far as I have known all my life. A good, smart piece of cattle wouldn't be caught up there because there's not a piece of grass on 2,000 acres. So I see no reason why you can't do it, and I certainly thank you.

Senator WALLOP. Would you just do me one favor and tell me what a great kiva is?

Senator GOLDWATER. A kiva? K-i-v-a?

Senator WALLOP. Yes.

Senator GOLDWATER. A kiva is a ceremonial meeting place of the Kachinas, the Kachinas being the gods of the Pueblo Indians, which include the Hopi, and the Zuni, and the Pueblo. Only men can go down in the subterranean chamber, which is oh maybe as large as 60 by 50, and it is down there that the men are initiated into the Kachina Cult at the age of 14. It's down there that the men do all the weaving; the women don't weave. The men make their dresses, and women have it pretty easy in the Hopi tribe. But it's a sacred place. It's the most sacred place, and every mesa—we have 18 of them in Arizona—has its kiva, and sometimes more than one if there's a little difference in the interpretation of the particular Kachina, which is the god.

Senator WALLOP. Well, thank you very much, and thank you for bringing it to us.

The second witness is the Honorable Alan Cranston, senior Senator of California. Good morning, Alan.

STATEMENT OF HON. ALAN CRANSTON, A U.S. SENATOR FROM THE STATE OF CALIFORNIA

Senator CRANSTON. Good morning, Malcolm.

Thank you very much for this opportunity to appear before you. I am pleased to appear before the Public Lands Subcommittee this morning to testify in support of legislation Senator Pete Wilson and I have joined in cosponsoring, S. 543, to designate the wilderness in the Point Reyes National Seashore as the Phillip Burton Wilderness. I also support the identical House bill H.R. 1373, introduced by Congressman John Seiberling and more than 100 cosponsors, a bill that passed overwhelmingly by the House on April 2.

As many of my colleagues will recall, the late Congressman Phil Burton of San Francisco was one of the Nation's greatest champions of parks and wildernesses. As a member of the House Interior Committee and chairman of the Parks Subcommittee, he helped preserve many outstanding natural, scenic, and cultural areas throughout the United States.

In California, his tireless efforts brought about the expansion of the Redwood National Park, the establishment of the Golden Gate National Recreation Area, the Santa Monica Mountains National Recreation Area and Channel Islands National Park, and protection for the Lake Tahoe Basin. Three times—in 1974, 1978, and 1980—he successfully enlarged the Point Reyes National Seashore.

Phil also is noted for his work to protect our Nation's wilderness. He laid the groundwork for passage of the California Wilderness Act of 1984 and he helped more than double the wilderness acreage in the National Park System. This includes the designation of the 25,370 acre wilderness area within the Point Reyes National Seashore in 1976.

Mr. Chairman, members of the committee, I am aware that the National Park Service opposes this bill on the grounds that it violates the longstanding policy against naming park features for individuals. However, the question is how longstanding and rigid that rule is.

There are already numerous units of the National Park System where outstanding persons are recognized. We have the Theodore Roosevelt National Park in North Dakota, the (John) Muir Woods National Monument in California, the LBJ Memorial Grove, and Gladys Noon Spellman Memorial Parkway in Washington, DC, to name just a few. For the committee's further information, I would like to submit a more comprehensive list of national park areas named after individuals. There are over 75 on this list, and I understand it is not a complete list.

This legislation does not name the entire Point Reyes Seashore after Phillip Burton—only the wilderness. And Congress also has previously named forest wilderness areas after distinguished individuals—including George Aiken and Frank Church, Henry Jackson and Lee Metcalf who served on this committee.

Mr. Chairman, in recognition of Phillip Burton's dedication and leadership on park and wilderness issues and his long association with Point Reyes, I believe it most appropriate to designate the wilderness in the Point Reyes National Seashore as the Phillip Burton

Wilderness. I hope you will agree. I hope you will approve this legislation.

[The list submitted by Senator Cranston follows:]

DEPARTMENT OF THE INTERIOR

National Wildlife Refuges Named After Individuals: James C. Campbell; Lewis and Clark; William L. Finley; Sheldon; Mark Twain; Clarence Cannon; J.N. "Ding" Darling; Martin; Edwin B. Forsythe; Elizabeth A. Morton; Rachel Carson; Charles M. Russell; Lee Metcalf; J. Clark Salyer; Karl E. Mundt.

Alexander Hamilton/Hamilton Grange National Memorial; Herbert Hoover NHS; Home of Franklin D. Roosevelt NHS; Hubbell Trading Post NHS; Jean Lafitte National Historical Park; Jefferson Memorial; Jefferson National Expansion Memorial NHS; John D. Rockefeller, Jr., Memorial Parkway; John Day Fossil Beds National Monument; JFK Center for the Performing Arts; JFK National Historic Site; John Muir National Historic Site; Martin Luther King NHS; Thaddeus Kosciuszko National Memorial; Lincoln Boyhood National Memorial; Lincoln Memorial; Longfellow NHS; LBJ National Historical Park; LBJ Memorial Grove; Maggie L. Walker NHS; Martin Van Buren NHS; Muir Woods National Monument; Paul Revere House; Perry's Victory and International Peace Memorial; Theodore Roosevelt NHS; William Howard Taft NHS; Theodore Roosevelt National Park; Martin Van Buren National Historic Park; Vanderbilt Mansion NHS.

Abraham Lincoln Birthplace NHS, Adams National Historic Site; Andrew Johnson National Historic Site; Arlington House, Robert E. Lee Memorial; Benjamin Franklin National Memorial; Booker T. Washington National Monument; Carl Sandburg Home NHS; Clara Barton NHS; George Rogers Clark NHP; Custer Battlefield National Monument; David Berger National Memorial; Frederick Douglass Home; Edgar Allen Poe NHS; Edison National Historic Site; Eisenhower NHS; Eleanor Roosevelt NHS; Eugene O'Neill NHS.

Father Marquette National Memorial; Frederick Law Olmsted NHS; James Garfield NHS; General Grant Grove; General Grant National Memorial; George Rogers Clark National Historical Park; George Washington Birthplace National Monument; George Washington Carver National Monument; George Washington Memorial Parkway; Georgia O'Keeffe NHS; Roger Williams National Memorial; Wright Brothers National Memorial; Gladys Noon Spellman Memorial Parkway.

DEPARTMENT OF AGRICULTURE

U.S. Forest Service Wilderness Areas Named After Individuals:
California—John Muir; Ansel Adams; Dick Smith.
Idaho—Frank Church River of No Return.
Wyoming—Jedidiah Smith.
Indiana—Charles C. Deam.
Montana—Bob Marshall; Lee Metcalf.
New Mexico—Aldo Leopold.
North Dakota—Joyce Kilmer/Slick Rock.
Vermont—George B. Aiken.
Washington—Henry M. Jackson; William O. Douglas.

Senator WALLOP. Alan, Thank you. A minor correction in your statement, really, because it is quite true that the Aiken, Church, Jackson, Metcalf areas are named wilderness areas, but the Gladys Noon Spellman Parkway is not a named part of the National Park System. That portion of it which the State of Maryland owns is named for her, but the National Park System portion is dedicated to her. But it's an irrelevancy, really, because the others, which you bring out, are quite true.

Senator CRANSTON. All right, I'll strike my and your irrelevancy. [Laughter.]

Senator WALLOP. Right. At any rate, I appreciate your testimony here.

Chic, do you have anything?

Senator HECHT. Thank you, Mr. Chairman. No questions.

Senator WALLOP. How about you, John?

Senator MELCHER. Thank you, Mr. Chairman. Well, I, too, think it ought to be named after Phil Burton. That would be a fitting tribute to a very fine colleague.

Thank you.

Senator CRANSTON. Thank you.

Senator WALLOP. And thank you, very much.

Senator CRANSTON. Thank you very much.

Senator WALLOP. Senator Stevens has joined us. Do you have a statement that you wish to make?

Senator STEVENS. Yes, I do. I was waiting for Senator Murkowski.

Senator WALLOP. All right, by all means. Why don't we then get underway with Deputy Under Secretary Horn, who is accompanied by Roger Contor, Regional Director for Alaska of the National Park Service.

STATEMENT OF WILLIAM P. HORN, DEPUTY UNDER SECRETARY, DEPARTMENT OF THE INTERIOR, ACCOMPANIED BY ROGER J. CONTOR, REGIONAL DIRECTOR FOR ALASKA, NATIONAL PARK SERVICE, DEPARTMENT OF THE INTERIOR

Mr. HORN. Mr. Chairman, my name is William Horn, Deputy Under Secretary of the Department of the Interior and I appreciate this opportunity to appear before the subcommittee to provide the Department's views on S. 444.

At the outset, let me say that we strongly recommend the enactment of this measure. Of course we have provided you a copy of my testimony and in addition to that we will provide at the conclusion of our presentation a copy of the complete exchange agreement that the bill would ratify, as well as all of the supporting documents and findings the Department made prior to execution of this contingent agreement.[1]

My testimony will cover the specifics of the exchange agreement, whereas National Park Service Regional Director, Mr. Contor, will address the resource values of the land that are affected by the proposed exchange.

The NANA Regional Corporation, one of the 13 regional corporations established by the Alaska Native Claims Act of 1971, has proposed to the National Park Service a land exchange affecting the Cape Krusenstern National Monument. Cape Krusenstern is a unit of the National Park System located in far northwest Alaska just north of the city of Kotzebue, and it is depicted there on the map.

NANA owns to the northeast of the park, indicated with the large black dot, a major lead-zinc silver deposit known as the Red Dog deposit. NANA and its partner, COMINCO, are in the process of developing the Red Dog mine and wish to construct a road from the mine site across the northwestern corner of the monument to a port site on NANA-owned land that exists within the northwest corner of the monument.

This routing has been thoroughly studied and was determined to be the environmentally preferred as well as economically acceptable route in a September 1984 environmental impact statement

[1] Due to the voluminous nature of the material the agreement has been retained in subcommittee files.

conducted on the complete Red Dog mine project. Specifically, notwithstanding the fact that this proposed routing would take it through the monument, it was decided or determined that this was the environmentally preferred approach.

As a result of the proposed land exchange, NANA would own all of the land within the monument that the mine access road would cross, and this would obviate the need for them to obtain a Federal right-of-way from the Department. We are persuaded that there is much to be gained from executing the proposed land exchange. Absent such an exchange, and if the Congress were to approve a right-of-way under the alternative procedure outlined in title XI of the Alaska Lands Act, if that alternative procedure were taken, the United States would receive only fair-market value rental for the right-of-way instead of thousands of acres of lands and interests that we would be adding to the National Park System.

In summary, the proposed land exchange provides a net gain of 86,335 acres of lands and interests to the United States; all of these lands and interests will be added to the National Park System. Specifically, we have the following major provisions in the agreement:

A consolidation of land ownership into contiguous patterns that would provide administrative and resource management benefits to the United States and provide the NANA Corporation with a block of land meeting its needs.

The Native Corporation would receive title to approximately 62,000 acres of Federal lands within the monument, and that would be indicated in the green block, and 600 acres of limited subsurface estate concentrating its holdings at the northwestern and southeastern corners of the monument. When the exchange would be consummated, NANA would basically own the green and the yellowish tracts in the far northwest, and would retain the pinkish tract in the far bottom corner. Right now, all of the pinkish areas are other native inholdings.

In addition to these lands, NANA would receive easements for two winter-use trails between the villages of Kivalina and Noatak across the monument and other adjacent Federal lands, and title to approximately 1,900 acres outside the monument. NANA would also take conveyance to 31,884 acres of land in the northwest corner of the monument—that is primarily the yellow area—to which it already has vested rights under the Alaska Native Claims Settlement Act.

The United States, in turn, would receive conveyance of 1,300 acres of coastal land and relinquishments of selections and existing selection rights to approximately 103,338 acres within the monument.

The long strip on the eastern side of the monument is all presently Native-selected land. That entire block would be relinquished to the National Park Service, as well as that small piece of pink land on the coast just south of the yellow area. All of that would be added automatically to the Cape Krusenstern National Monument.

In addition to these two major blocks of land, we would receive a grant in perpetuity of an easement and public use and occupancy rights for a 5-acre administrative site at the Onion Portage Archeo-

logical District in the Kobuk Valley National Park. That's another park that's a little bit to the east of this map.

We would also receive equitable servitudes and conservation easements for the protection and study of resource values on 10,942 acres of land near Sheshalik on the southern part of the unit—an important cultural resource area.

The United States would receive interests and easements for the protection and study of resource values within the 65,000 block which would be crossed by the Red Dog mine road, and trail easements providing for public access across NANA land to national park monument lands.

We estimate that the value of the lands and interests that would be conveyed to NANA is approximately $3.99 million, and we estimate that the value of the lands and interests that the United States would receive under the exchange is approximately $4.21 million.

We strongly recommend the enactment of S. 444 on the basis that it is clearly in the public interest; that it promotes the purposes of the Alaska Lands Act and the Alaska Native Claims Settlement Act; it preserves the essential integrity and furthers the purposes of the Cape Krusenstern National Monument; and does not significantly restrict subsistence uses and activities.

This concludes my prepared remarks, Mr. Chairman, and before answering questions I would like to have Mr. Contor make his presentation.

[The prepared statement of Mr. Horn follows:]

STATEMENT OF WILLIAM P. HORN, DEPUTY UNDER SECRETARY, DEPARTMENT OF THE INTERIOR, BEFORE THE SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER, AND RESOURCE CONSERVATION, SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES, CONCERNING S.444, A BILL TO AMEND THE ALASKA NATIVE CLAIMS SETTLEMENT ACT.

APRIL 29, 1985

MR CHAIRMAN, I APPRECIATE THIS OPPORTUNITY TO PROVIDE YOUR SUBCOMMITTEE WITH THE VIEWS OF THE DEPARTMENT OF THE INTERIOR ON THIS BILL.

WE STRONGLY RECOMMEND THE ENACTMENT OF S.444.

S.444 WOULD ADD A NEW SECTION TO THE ALASKA NATIVE CLAIMS SETTLEMENT ACT. THE NEW SECTION WOULD DIRECT THE SECRETARY OF THE INTERIOR TO CONVEY FEDERAL LANDS AND INTERESTS IN LANDS TO NANA REGIONAL CORPORATION, IN EXCHANGE FOR LANDS AND INTERESTS IN LANDS OF NANA REGIONAL CORPORATION. THE TERMS OF THE EXCHANGE AND THE PROPERTIES TO BE EXCHANGED ARE SET FORTH IN AN AGREEMENT BETWEEN NANA AND THE UNITED STATES DATED JANUARY 31, 1985, WHICH IS REFERRED TO IN THE LEGISLATION. WITH YOUR PERMISSION, MR. CHAIRMAN, I OFFER FOR THE RECORD OF THE COMMITTEE HEARING ON THIS LEGISLATION A COPY OF THAT AGREEMENT. BY ITS TERMS, THE AGREEMENT IS EFFECTIVE UPON ENACTMENT OF LEGISLATION AUTHORIZING AND RATIFYING THE AGREEMENT, AND WE VIEW S.444 AS THE NECESSARY LEGISLATIVE AUTHORIZATION AND THEREFORE BELIEVE THAT THE BILL EFFECTIVELY RATIFIES THE AGREEMENT.

THE NANA REGIONAL CORPORATION, INC. HAS PROPOSED TO THE NATIONAL PARK SERVICE A LAND EXCHANGE WITHIN THE CAPE KRUSENSTERN NATIONAL MONUMENT. NANA OWNS A MAJOR LEAD-ZINC-SILVER DEPOSIT (RED DOG) NORTHEAST OF THE MONUMENT. NANA AND COMINCO ALASKA, A MINING CORPORATION PARTNER, ARE IN THE PROCESS OF DEVELOPING THE RED DOG MINE AND WISH TO CONSTRUCT A ROAD FROM THE MINE SITE ACROSS THE NORTHWESTERN CORNER OF THE MONUMENT TO A PORT SITE ON NANA-OWNED LAND WITHIN THE NORTHWEST CORNER OF THE MONUMENT. THIS ROUTING WAS DETERMINED TO BE ENVIRONMENTALLY PREFERRED AS WELL AS ECONOMICALLY ACCEPTABLE IN A SEPTEMBER 1984 ENVIRONMENTAL IMPACT STATEMENT FOR THE RED DOG MINE PROJECT. AS A RESULT OF THE PROPOSED LAND EXCHANGE, NANA WOULD OWN ALL OF THE LAND WITHIN THE MONUMENT THAT THE MINE ACCESS ROAD WOULD CROSS. WHILE THIS WOULD NOT FREE COMINCO FROM THE NECESSITY OF OBTAINING FEDERAL AND STATE REGULATORY PERMITS TO BUILD THE ROAD, IT WOULD NOT HAVE TO OBTAIN A RIGHT-OF-WAY PERMIT TO CROSS NATIONAL PARK SYSTEM LANDS.

TITLE XI OF THE ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT PROVIDES A PROCEDURE FOR OBTAINING CONGRESSIONAL APPROVAL FOR RIGHTS-OF-WAY ACROSS CONSERVATION UNITS IN ALASKA WHEN THE ADMINISTERING AGENCY LACKS THE NECESSARY AUTHORITY. THIS IS AN UNTESTED PROCEDURE BUT AN APPLICATION FOR A RIGHT-OF-WAY ACROSS THE MONUMENT HAS BEEN SUBMITTED AND IS BEING PROCESSED IN CASE THE PROPOSED LAND EXCHANGE IS NOT EXECUTED. THE EXCHANGE

PROVIDES GREATER LEGAL CERTAINTY TO THE DEVELOPMENT OF THE RED DOG MINE ROAD AND, IT IS BELIEVED, COULD BE ACCOMPLISHED MORE EXPEDITIOUSLY THAN THE UNTESTED TITLE XI PROCESS.

NANA OWNS OR HAS CONVEYANCE RIGHTS TO APPROXIMATELY 195,643 ACRES OF LAND, IN THREE SECTORS, WITHIN THE MONUMENT UNDER PROVISIONS OF THE ALASKA NATIVE CLAIMS SETTLEMENT ACT. THIS DISTRIBUTION OF INHOLDINGS IN THE MONUMENT IMPAIRS MANAGEMENT OF THE UNIT. WHILE SOME OF THE SELECTED ACREAGE WILL EXCEED NANA'S ACREAGE ENTITLEMENTS AND WILL EVENTUALLY BE RELINQUISHED, IT IS ANTICIPATED THAT SUBSTANTIAL ACREAGE WILL REMAIN HELD BY NANA.

A PROPOSED EXCHANGE WOULD NORMALLY ATTEMPT TO REMOVE THE NONFEDERAL INTERESTS TO OUTSIDE A PARK. HOWEVER, THE PRESENT INCENTIVE FOR NANA TO ENTER INTO AN EXCHANGE IS TO SECURE LANDS IN THE MONUMENT WHICH THE RED DOG MINE ROAD WOULD CROSS, AND AVOID THE NEED TO SEEK A RIGHT-OF-WAY VIA TITLE XI.

THE RESULTING EXCHANGE WOULD NOT COMPLETELY ELIMINATE NANA'S MONUMENT INHOLDINGS BUT WOULD SUBSTANTIALLY REDUCE AND CONSOLIDATE ITS HOLDINGS INTO TWO AREAS. THIS RAISES ANOTHER ISSUE: SHOULD THE PROPOSED EXCHANGE BE DISMISSED AND NPS WAIT FOR BETTER FUTURE CIRCUMSTANCES? WE ARE PERSUADED THAT THERE IS MUCH TO BE GAINED FROM EXECUTING THE PROPOSED LAND EXCHANGE

NOW. ABSENT SUCH AN EXCHANGE AND IF THE CONGRESS APPROVED A RIGHT-OF-WAY ACROSS THE MONUMENT PURSUANT TO TITLE XI, THE UNITED STATES WOULD RECEIVE ONLY FAIR MARKET RENTAL FOR THE RIGHT-OF-WAY INSTEAD OF THOUSANDS OF ACRES OF LANDS AND INTERESTS IN LANDS FOR ADDITION TO THE NATIONAL PARK SYSTEM.

ACCORDINGLY, FOR THE PAST SEVERAL MONTHS REPRESENTATIVES OF THE BUREAU OF LAND MANAGEMENT, NATIONAL PARK SERVICE AND THE DEPARTMENT HAVE PARTICIPATED IN NEGOTIATIONS WITH THE NANA REGIONAL CORPORATION. THIS EFFORT HAS RESULTED IN A PROPOSED LAND EXCHANGE.

IN SUMMARY, THE PROPOSED LAND EXCHANGE PROVIDES A NET GAIN OF 86,335 ACRES OF LANDS AND INTERESTS IN LANDS TO THE U.S.--LAND WHICH WILL BE ADDED TO THE NATIONAL PARK SYSTEM. SPECIFICALLY, THE PROPOSED LAND EXCHANGE CONSISTS OF THE FOLLOWING MAJOR PROVISIONS:

1. A CONSOLIDATION OF LAND OWNERSHIP INTO CONTIGUOUS PATTERNS THAT WOULD PROVIDE ADMINISTRATIVE AND RESOURCE MANAGEMENT BENEFITS TO THE UNITED STATES AND PROVIDE NANA WITH A BLOCK OF LAND MEETING ITS NEEDS.

2. NANA WOULD RECEIVE: a) TITLE TO APPROXIMATELY 62,084 ACRES OF FEDERAL LANDS WITHIN THE MONUMENT AND 600 ACRES OF LIMITED SUBSURFACE ESTATE CONCENTRATING ITS HOLDINGS AT THE NORTHWESTERN AND SOUTHEASTERN CORNERS OF THE MONUMENT; b) EASEMENTS FOR TWO WINTER USE TRAILS BETWEEN KIVALINA AND NOATAK ACROSS THE MONUMENT AND OTHER FEDERAL LANDS; AND c) TITLE TO APPROXIMATELY 1,915.25 ACRES OUTSIDE THE MONUMENT. NANA WOULD ALSO TAKE CONVEYANCE TO 31,884.67 ACRES OF LANDS IN THE NORTHWEST CORNER OF THE MONUMENT TO WHICH IT ALREADY HAS VESTED RIGHTS UNDER THE ALASKA NATIVE CLAIMS SETTLEMENT ACT.

3. THE UNITED STATES WOULD RECEIVE FROM NANA:

   a. CONVEYANCE OF 1,345 ACRES OF COASTAL LAND AND RELINQUISHMENT OF SELECTIONS AND SELECTION RIGHTS TO APPROXIMATELY 103,338 ACRES WITHIN THE MONUMENT;

   b. A GRANT IN PERPETUITY OF AN EASEMENT AND PUBLIC USE AND OCCUPANCY RIGHTS FOR A 5-ACRE ADMINISTRATIVE TRACT AT THE ONION PORTAGE ARCHEOLOGICAL DISTRICT AT KOBUK VALLEY NATIONAL PARK;

c. EQUITABLE SERVITUDES AND CONSERVATION EASEMENTS FOR THE PROTECTION AND STUDY OF RESOURCE VALUES ON 10,942 ACRES OF LAND NEAR SHESHALIK -- AN IMPORTANT CULTURAL RESOURCE AREA;

d. INTERESTS AND EASEMENTS FOR THE PROTECTION AND STUDY OF RESOURCE VALUES WITHIN THE 65,274-ACRE BLOCK WHICH WOULD BE CROSSED BY THE RED DOG MINE ROAD. THESE INCLUDE PROTECTIONS WHICH ARE ESSENTIALLY THE SAME AS WOULD BE ATTACHED TO AN APPROVED TITLE XI RIGHT-OF-WAY; AND

e. TRAIL EASEMENTS PROVIDING FOR PUBLIC ACCESS ACROSS NANA LANDS TO MONUMENT LANDS.

APPRAISALS WERE MADE OF THE SURFACE AND SUBSURFACE ESTATES OF THE LANDS PROPOSED FOR EXCHANGE. MAJOR LAND ELEMENTS OF THE EXCHANGE WERE DETERMINED TO HAVE COMPARABLE VALUES. WHILE THE PROPOSED AGREEMENT IS BASICALLY FOR EXCHANGE OF COMPARABLE LAND VALUES, THERE ARE BENEFITS, INTERESTS AND CONCERNS OF SPECULATIVE VALUE THAT SUGGEST THE EXCHANGE BE BASED ON A DETERMINATION THAT IT IS IN THE PUBLIC INTEREST.

WE ESTIMATE THAT THE VALUE OF THE LANDS AND INTERESTS THAT WOULD BE CONVEYED TO NANA IS APPROXIMATELY $3,990,000; WE ESTIMATE THE VALUE OF THE LANDS AND INTERESTS THAT THE UNITED STATES WOULD RECEIVE UNDER THE EXCHANGE IS APPROXIMATELY $4,216.200.

THE DEPARTMENT OF THE INTERIOR SUPPORTS THE EXCHANGE AND BELIEVES IT IS THE MOST EFFECTIVE SOLUTION AVAILABLE NOW AND IN THE FORESEEABLE FUTURE: TO ENHANCE LAND AND RESOURCE OWNERSHIP PATTERNS AND MANAGEMENT AND RESOURCE PROTECTION CAPABILITIES IN THE MONUMENT; TO RECEIVE SIGNIFICANT VALUE IN RETURN FOR NANA'S ABILITY TO CONSTRUCT THE RED DOG MINE TRANSPORTATION SYSTEM ALONG A PREFERRED ROUTE ACROSS LANDS THAT WOULD BE OWNED BY NANA, INSTEAD OF PURSUANT TO A POSSIBLE TITLE XI RIGHT-OF-WAY ACROSS MONUMENT LANDS WITH MINIMAL BENEFITS GAINED; TO GAIN A GREATER LEVEL OF PROTECTION FOR CULTURAL AND NATURAL RESOURCES ON THE MAJOR NONFEDERAL HOLDINGS WITHIN THE MONUMENT; TO LIMIT THE CONVEYANCE OF FURTHER VALID LAND SELECTIONS TO NANA WITHIN THE MONUMENT; TO CONSOLIDATE TO THE EXTENT POSSIBLE NONFEDERAL LANDS IN AREAS OF LESSER SIGNIFICANCE TO THE INTEGRITY AND PURPOSES OF THE MONUMENT AND WHERE DEVELOPMENT OPPORTUNITIES APPEAR LIMITED; TO PLACE INTO PRIVATE OWNERSHIP LANDS FOR WHICH THE OWNER HAS A REASONABLE DEGREE OF MUTUAL INTEREST IN MAINTAINING THE VALUES OF THE LAND FOR WILDLIFE AND SUBSISTENCE ACTIVITIES; TO GAIN A RIGHT OF USE OF AN ADMINISTRATIVE SITE IN IMPORTANT PRIVATELY OWNED

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LANDS OF KOBUK VALLEY NATIONAL PARK; TO ENHANCE NANA'S ABILITY TO DEVELOP THE RED DOG MINE AND TO ENJOY THE BENEFITS SOUGHT AND CONFERRED BY THE ALASKA NATIVE CLAIMS SETTLEMENT ACT; AND TO GENERALLY FURTHER THE PURPOSES OF THE MONUMENT.

THE BLM SUPPORTS THE EXCHANGE AS SEVERAL GENERAL BENEFITS TO THE PUBLIC ARE DERIVED. NANA AGREES NOT TO CHALLENGE THE USE BY THE UNITED STATES OF SAND AND GRAVEL UNDER ANY EASEMENT RESERVED ON NANA LANDS, IF THE SAND AND GRAVEL IS USED FOR THE PURPOSES OF DEVELOPING OR MAINTAINING THE EASEMENT. THE EXCHANGE ESTABLISHES TWO COMPREHENSIVE TRAIL EASEMENTS FOR ACCESS ACROSS NATIVE LANDS TO FEDERAL LANDS WHICH OTHERWISE WOULD BE IDENTIFIED AND RESERVED IN A PIECEMEAL FASHION AT GREATER EXPENSE. ACREAGE TO BE CONVEYED AND COUNTED TOWARDS ENTITLEMENT HAS BEEN REDUCED TO A FIRM NUMBER WHICH REDUCES BASIC CONVEYANCE COSTS. MOREOVER, SURVEY COSTS WILL BE REDUCED BY RESTRICTING SURVEYS TO THE PERIMETER ONLY OF CONSOLIDATED LAND GROUPS.

WE STRONGLY RECOMMEND THE ENACTMENT OF S.444 ON THE BASIS THAT IT IS CLEARLY IN THE PUBLIC INTEREST, THAT IT PROMOTES THE PURPOSES OF ANILCA AND OF ANCSA, IT PRESERVES THE ESSENTIAL INTEGRITY AND FURTHERS THE PURPOSES OF CAPE KRUSENSTERN NATIONAL MONUMENT, AND DOES NOT SIGNIFICANTLY RESTRICT SUBSISTENCE USES AND ACTIVITIES. THIS CONCLUDES MY PREPARED REMARKS, MR. CHAIRMAN. I WOULD BE PLEASED TO RESPOND TO ANY QUESTIONS YOU OR OTHER MEMBERS OF THE SUBCOMMITTEE MAY HAVE.

STATEMENT OF ROGER J. CONTOR, REGIONAL DIRECTOR FOR ALASKA, NATIONAL PARK SERVICE, DEPARTMENT OF THE INTERIOR

Mr. CONTOR. Thank you, Mr. Chairman, and Senators.

I am happy to have the opportunity to discuss the cultural and the natural resource management benefits that would be derived from enacting the Cape Krusenstern National Monument land exchange between NANA Regional——

Senator WALLOP. Mr. Contor, could you do me a favor and pull that microphone more directly into you?

Mr. CONTOR. Yes, sir. Is this better?

Senator WALLOP. Much better. Thank you.

Mr. CONTOR. Thank you. My comments will discuss the benefits for the cultural and natural resources that will derive from this exchange. I have submitted a written statement, and I will summarize the most important points that are made in the statement.

To begin with, it should be pointed out that almost one-third of the land inside the boundaries of Cape Krusenstern is not in Federal ownership, so it is a unit of the system which lends itself well to a land consolidation exchange.

The statement describes the resource in general. It is an arctic coastal tundra area. It is most significant if you visualize it as a boot facing to the right. The heel of the boot is Cape Krusenstern itself, and as you go northward and as you go inland from that heel in the area, the archeological resources tend to diminish. The heel is one of the most important archeological areas in all of northwestern Alaska.

The wildlife observation and the wilderness recreation values are important, and they tend to take on importance as we go north and as we go inland. In general, from the wildlife standpoint, the exchange is generally beneficial, and I will get into the watershed protection which will be enhanced as I go further in this summary.

This will provide an excellent consolidation of land ownerships into patterns of Federal and private land that further the purposes of the monument and facilitate the management or use of the land.

In addition, although it may look small, the small pink section in the upper left just below the yellow is an additional 3 miles of what would be federally owned shoreline or coastline which, in view of the large number of Native allotment selections along the coastline, would provide a 15-percent increase in the federally owned coastline of the monument. And it is the coastline, again, that has the greatest significance in archeological value.

Fisheries protection would go along with the protection of the complete watersheds that will come largely from the addition into Federal ownership of the land on the east, shown in pink, and of the four major drainages that flow into the coast and provide for fisheries habitat. The Federal Government only owns the upper watershed of one river—that is, the Kilikmak drainage. This exchange would give us complete ownership of the Rabbit Creek drainage, which is the largest in the area, the Agragrak Creek drainage, and the Jade Creek.

So we would then, following the exchange, have complete watershed ownership of all four of the major streams which contribute

not only to fishery spawning and fishery habitat, but are also mentioned by the two studies of the coastal depositional process as being most important in contributing gravel to the coastal flow which creates the beach-building process of Cape Krusenstern. That in itself is a very important story and a very important reason why we have this horizontal record of archeological history going back 10,000 years, and the process continues.

The ownership of these four major drainages would allow that to continue without any possible threat from the future, or whatever may occur.

The wildlife questions and the benefit of the wildlife do concern the possible impact on the caribou migration from the road, and whether the road is built inside the monument or outside the monument, it does provide a question of: Will the caribou cross it? This exchange would formalize a caribou monitoring system, which would be a cooperative venture between the native community, the National Park Service, the Fish and Wildlife Service, and the State Fish and Game. So that is a benefit which would accrue from this exchange, which might or might not accrue if the exchange was not consummated.

In addition to obtaining ownership of the lands in pink, this exchange also provides for the National Park Service to retain cultural resource interest in the land where those lands are conveyed to NANA. These interests provide for the protection and study of sites. Specifically, any surface-disturbing activities that take place on lands conveyed to NANA would be brought to the attention of the National Park Service, and we would have the opportunity to work cooperatively with NANA to minimize any possible impact to cultural resources.

The exchange also carries with it the same benefits for protection from any possible disadvantage from road construction as if the road were permitted under the title XI application.

A general conclusion which I would like to summarize: This exchange will result in a more manageable national monument, irrespective of whether or not the road is constructed. From the perspective of park management, what the monument gains from this exchange is much more valuable than what would be given up.

That concludes my remarks, Mr. Chairman, and I would also be glad to answer any questions.

[The prepared statement of Mr. Contor follows:]

STATEMENT OF ROGER J. CONTOR, DEPARTMENT OF THE INTERIOR, NATIONAL PARK SERVICE, BEFORE THE SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER, AND RESOURCE CONSERVATION, SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES, CONCERNING S.444, A BILL TO AMEND THE ALASKA NATIVE CLAIMS SETTLEMENT ACT.

APRIL 29, 1985

MR. CHAIRMAN, I APPRECIATE THIS OPPORTUNITY TO PROVIDE YOUR SUBCOMMITTEE WITH ADDITIONAL VIEWS OF THE DEPARTMENT OF THE INTERIOR ON THIS BILL, AND I WILL CONFINE MY REMARKS TO A DISCUSSION OF THE CULTURAL AND NATURAL RESOURCE MANAGEMENT BENEFITS THAT WE THINK WOULD BE DERIVED FROM ENACTING THE CAPE KRUSENSTERN NATIONAL MONUMENT LAND EXCHANGE BETWEEN NANA REGIONAL CORPORATION, INC. AND THE UNITED STATES OF AMERICA.

FOR THOSE UNFAMILIAR WITH THE GENERAL CHARACTER OF THE MONUMENT A BRIEF DESCRIPTION MAY BE IN ORDER.

CAPE KRUSENSTERN NATIONAL MONUMENT IN TOTAL AREA INCLUDES APPROXIMATELY 660,000 ACRES OF LANDS INTERSPERSED WITH ABOUT 205,000 ACRES OF NON-OVERLAPPING PRIVATE LANDS OR NATIVE SELECTIONS. THESE PRIVATE LANDS AND NATIVE SELECTIONS ARE LOCATED ALONG THE EASTERN BOUNDARY, THE SOUTHEAST BOUNDARY, THE NORTHWEST BOUNDARY AND IN SCATTERED TRACTS ALONG THE COAST OF THE MONUMENT.

CAPE KRUSENSTERN IS CHARACTERIZED BY MODERATELY SLOPING HILLS, BROAD STREAM VALLEYS AND COASTAL LOWLAND LAGOON SYSTEMS. THE ENTIRE AREA IS UNDERLAIN BY PERMAFROST. GENTLE, POORLY DEFINED SURFACE UNDULATIONS ARE CAUSED BY PATTERNED GROUND, OLD DRAINAGE CHANNELS, THAW LAKES, AND OTHER DEPOSITIONAL, EROSIONAL, OR PERMAFROST RELATED FEATURES.

EXCEPT FOR A SMALL AREA OF SPRUCE FOREST IN THE SOUTHEASTERN CORNER OF THE MONUMENT, PLANT COVER GENERALLY CONSISTS OF LOW-GROWING TUNDRA COMMUNITIES COMMON TO THE HIGHER ELEVATIONS OR THE TREELESS ZONES OF NORTHERN ALASKA. WILLOWS AND SOME POPLAR MAY GROW ALONG STREAMS.

FIVE MAJOR MAMMAL SPECIES OCCUR WITHIN THE MONUMENT; CARIBOU, MUSKOXEN, MOOSE, DALL SHEEP, AND BROWN BEAR. WATERFOWL, SHOREBIRDS AND RAPTORS ARE SIGNIFICANT AMONG THE BIRDLIFE.

A VARIETY OF FISH, INCLUDING PINK, CHUM AND KING SALMON, WHITE FISH AND ARCTIC CHAR INHABIT THE LAGOONS, STREAMS AND LAKES OF THE MONUMENT.

ONE OF THE MAIN BENEFITS OF THE LAND EXCHANGE IS THE CONSOLIDATION OF LAND OWNERSHIP INTO PATTERNS OF FEDERAL AND PRIVATE LAND THAT FURTHER THE PURPOSES OF THE MONUMENT AND FACILITATE THE MANAGEMENT OR USE OF LAND. AS A RESULT OF THE EXCHANGE, NANA AND OTHER NATIVE CORPORATION OWNED LANDS WITHIN THE MONUMENT WOULD BE CONCENTRATED IN THE SOUTHEAST CORNER (SHESHALIK AREA) AND IN THE NORTHWEST CORNER OF THE MONUMENT. ALL OF THE INTERVENING LANDS BETWEEN THE EASTERN BOUNDARY AT THE HYDROGRAPHIC CREST AND WESTERN BOUNDARY AT THE CHUKCHI SEA COAST WOULD BE OWNED AND MANAGED BY THE UNITED STATES EXCEPT FOR THE ALASKA NATIVE ALLOTMENTS SCATTERED ALONG THE COAST. THIS WOULD PLACE UNDER DIRECT FEDERAL CONTROL ALL OF THE HEADWATERS OF THE MONUMENT'S MAJOR STREAMS AND ALL OF THE LOWER REACHES OF STREAMS EXCEPT FOR THE OMIKVIOROK RIVER AND A LESSER STREAM IN THE SOUTHEAST CORNER. FEDERALLY OWNED COASTLINE WOULD BE INCREASED TWO AND THREE QUARTERS MILES. ALL OF THE MAIN SITES AND MOST OF THE OTHER KNOWN SITES OF CULTURAL RESOURCES WOULD LIE WITHIN THE FEDERAL PORTION. THE PRINCIPAL EXCEPTIONS TO THIS ARE THE COASTAL SITES COVERED BY NATIVE

ALLOTMENTS ALONG THE COAST INCLUDING THE SHESHALIK AREA. THE FEDERAL PORTION WOULD ALSO INCLUDE THE MAJOR PORTIONS OF THE WILDLIFE HABITATS IMPORTANT TO THE MONUMENT INCLUDING RANGE IN THE MULGRAVE HILLS VALUED FOR CARIBOU WINTERING AND PERIODIC CALVING IN EXCEPTIONALLY HEAVY SNOW YEARS.

WE THINK THE LAND EXCHANGE IS GENERALLY BENEFICIAL TO RESIDENT OR MIGRATORY WILDLIFE OF THE MONUMENT.

PRIMARY SUMMER AND WINTER HABITAT FOR THE SMALL MUSK OXEN HERD WOULD BE ON FEDERAL LAND.

CARIBOU WINTER RANGE TRANSFERRED TO NANA HAS ABOUT THE SAME LEVEL OF VALUE TO THE CARIBOU AS THE RANGE ACQUIRED FROM NANA.

PORTIONS OF THE EXCHANGE AREAS PROVIDE GOOD HABITAT FOR CLIFF NESTING RAPTORS INCLUDING THE ARCTIC PEREGRINE FALCON, GOLDEN EAGLE, GYRFALCON AND THE ROUGH-LEGGED HAWK. THE PEREGRINE FALCON IS FEDERALLY CLASSIFIED AS A THREATENED SPECIES UNDER THE ENDANGERED SPECIES ACT. TWO KNOWN NEST SITES THOUGHT TO BE PEREGRINE FALCON NEST SITES HAVE BEEN REPORTED WITHIN THE AREAS TO BE EXCHANGED. ONE NEST NOW ON FEDERAL LANDS WOULD BE CONVEYED TO NANA AND ONE NEST NOW ON NANA SELECTED LAND WOULD BE ON FEDERAL LAND FOLLOWING THE EXCHANGE. THE NEST ON PRIVATE LAND WOULD BE SUBJECT TO PROTECTIVE STIPULATIONS FOR ANY DEVELOPMENT ON NANA LANDS.

WITH REGARD TO WATERFOWL HABITAT INVOLVED IN THE LAND EXCHANGE, NANA WOULD RECEIVE SOME WATERFOWL HABITAT AND THE U.S. WOULD RECEIVE APPROXIMATELY AN EQUAL AMOUNT OF HABITAT OF SIMILAR QUALITY. NANA ALREADY HAS A PRIOR CLAIM TO THE TO THE HIGHER QUALITY WATERFOWL HABITAT ALONG OR NEAR THE COASTAL

LAGOONS WHICH IT WILL RETAIN OR TAKE CONVEYANCE TO AS PART OF THE EXCHANGE. WATERFOWL HABITAT AT "MUD" OR "OMIKVIOROK" LAKE NEAR A PROPOSED MATERIAL SITE WOULD BE PROTECTED UNDER THE TERMS OF THE EXCHANGE AGREEMENT.

BROWN BEARS, WOLVES AND OTHER MAMMALS WOULD NOT APPEAR TO BE AFFECTED BY THE LAND EXCHANGE. HOWEVER, SOME DEGREE OF PROTECTION WOULD BE AFFORDED WILDLIFE ON LANDS CONVEYED TO NANA IN THE EVENT OF DEVELOPMENT.

FISHERIES PROTECTION WOULD GENERALLY BE ENHANCED BY THE LAND EXCHANGE AS THE U.S. WOULD CONTROL THE ENTIRE WATERSHEDS OF MOST OF THE FISH BEARING STREAMS. RABBIT CREEK, A MAJOR STREAM OF THE MONUMENT, AND ONE OF THE MOST SIGNIFICANT STREAMS FOR FISHERIES INCLUDING SALMON, WOULD BE ENTIRELY IN FEDERAL CONTROL AFTER THE EXCHANGE.

ANOTHER RIVER, THE OMIKVIOROK, IS AFFECTED BY THE EXCHANGE. THE U.S. WOULD GAIN CONTROL OVER THE HEADWATERS WHILE NANA WOULD OWN THE CENTER AND LOWER SEGMENTS. THE LOWER SEGMENT, WHICH CONTAINS AN ARCTIC CHAR SPAWNING AREA IS WITHIN LANDS TO WHICH NANA ALREADY HAS SELECTION RIGHTS. THE CENTRAL REACH OF THE STREAM REPORTEDLY GOES DRY DURING A PORTION OF THE SUMMER MONTHS--THE WATER APPARENTLY FLOWING BENEATH THE SURFACE OF THE RIVER BED.

OF SPECIAL CONCERN ARE THE EFFECTS OF THE EXCHANGE ON THE MIGRATORY CARIBOU OF THE WESTERN ARCTIC HERD THAT MAY WINTER IN THE MONUMENT OR CALVE THERE ON OCCASION. WINTER NUMBERS IN THE VICINITY OF THE NORTHERN PART OF THE MONUMENT AND IN THE DRAINAGES NORTH OF THE MONUMENT MAY REACH 10,000 ANIMALS IN SOME YEARS. IT IS NOT THE EXCHANGE ITSELF WHICH MAY AFFECT CARIBOU MOVEMENTS INTO OR OUT OF THE MONUMENT BUT WHETHER FUTURE DEVELOPMENTS ON LANDS CONVEYED TO NANA WOULD DISRUPT NATURAL MOVEMENTS OF

CARIBOU TO AND FROM THE MONUMENT. OF IMMEDIATE INTEREST IS THE CONSTRUCTION OF THE PROPOSED RED DOG MINE TRANSPORTATION SYSTEM. WHETHER THE ROAD IS BUILT WITHIN THE MONUMENT OR JUST NORTH OF THE MONUMENT, IT WOULD PROBABLY HAVE THE SAME EFFECTS ON CARIBOU MOVEMENTS. BECAUSE OF CONCERN BY THE NATIONAL PARK SERVICE, NANA AND OTHERS, A CARIBOU MONITORING SYSTEM WOULD GO INTO EFFECT THAT COULD IF DEEMED NECESSARY, LEAD TO TEMPORARY CLOSURE OF ROAD CONSTRUCTION OR OPERATIONS TO ENCOURAGE CARIBOU MOVEMENTS TO OCCUR WITHOUT DISRUPTION.

CULTURAL RESOURCES, PRINCIPALLY ARCHEOLOGICAL RESOURCES, DO NOT APPEAR TO BE HARMED BY THE EXCHANGE. THE CORE RESOURCE AREA AT CAPE KRUSENSTERN IS NOT AFFECTED BY THE EXCHANGE. THE COASTAL LANDS TO BE CONVEYED TO THE U.S. BY NANA LIE IN AN AREA OF RELATIVELY HIGH POTENTIAL WITHIN THE MONUMENT FOR THE PRESENCE OF CULTURAL RESOURCES. LANDS IN THE MOUNTAIN ZONE TO BE RECEIVED BY THE U.S. ARE NOT THE HIGHEST VALUE AREA BUT APPEAR TO HAVE RELATIVELY GREATER POTENTIAL FOR RESOURCE VALUES THAN DO THE LANDS TO BE CONVEYED TO NANA. THE U.S. WOULD ACQUIRE CULTURAL RESOURCES INTERESTS IN LANDS IN THE SHESHALIK AREA, A ZONE RATED HIGH VALUE. ALSO THE U.S. WOULD RETAIN CULTURAL RESOURCE INTERESTS IN LAND IN THOSE LANDS CONVEYED TO NANA. THESE INTERESTS PROVIDE FOR PROTECTION AND STUDY OF SITES.

A FULL SCALE ARCHEOLOGICAL INVENTORY WITHIN THE MONUMENT HAS NOT YET BEEN ACCOMPLISHED. UNTIL SUCH AN INVENTORY IS COMPLETED FOR THE ENTIRE MONUMENT, OUR EVALUATIONS OF DIFFERENT AREAS ARE NOT CONCLUSIVE. FURTHER, IT IS THE VARIETY OF SITES THROUGHOUT THE MONUMENT THAT PROVIDES INFORMATION ON THE COMPLETE LIFEWAY OF PREHISTORIC PEOPLES OF THIS AREA.

ANOTHER FACTOR OF CONCERN IN CONSIDERING THE LAND EXCHANGE IS WHETHER FUTURE DEVELOPMENTS ON PRIVATE LANDS SUCH AS THE PROPOSED RED DOG MINE ROAD AND PORT SITE DEVELOPMENTS WOULD ADVERSELY AFFECT THE NATURAL BEACH OUTBUILDING PROCESS AT CAPE KRUSENSTERN OR THE COASTAL LAGOONS. AVAILABLE STUDIES DO NOT INDICATE THAT THE SEDIMENT SOURCES OR THE LITTORAL DRIFT OF SEDIMENTS ALONG THE COAST ARE IN JEOPARDY OR THAT ADVERSE EFFECTS WILL OCCUR AT CAPE KRUSENSTERN.

FEDERAL OWNERSHIP OF THE MOUNTAINS AND HEADWATERS ALONG THE NORTHEAST SECTOR OF THE MONUMENT HAS OTHER BENEFITS. UNDER NANA OWNERSHIP, THESE LANDS MAY BE SUBJECTED TO MINERAL EXPLORATION AND POSSIBLE DEVELOPMENT SHOULD THAT BE IN NANA'S INTERESTS TO DO SO. UNDER FEDERAL OWNERSHIP, THE LANDS WOULD BE CLOSED TO MINERAL RELATED ACTIVITIES. THERE APPEARS TO BE SOME POTENTIAL FOR MINERALIZATION AS THE AREA LIES IN A GEOLOGICAL TERRANE SIMILAR TO THAT FURTHER NORTH ALONG THE DELONG MOUNTAINS. THE ENTIRE AREA ADJOINING THE NORTHEAST CORNER OF THE MONUMENT IS NOW BLANKETED WITH MINING CLAIMS. WITH THE EXCEPTION OF THE PROPOSED RED DOG MINE ROAD, IT APPEARS THAT THERE IS A LESSER THREAT TO MONUMENT VALUES FROM DEVELOPMENT ON THE LANDS NANA WOULD RECEIVE AND A GREATER THREAT TO THE LONG TERM PROTECTION OF THE MONUMENT IF THE HEADWATERS AREAS REMAIN IN PRIVATE OWNERSHIP.

IF THE EXCHANGE IS COMPLETED AND THE RED DOG MINE ROAD IS CONSTRUCTED, THE EXCHANGE AGREEMENT PROVIDES THAT THE ROAD CONSTRUCTION AND OPERATIONS WOULD BE MANAGED ESSENTIALLY THE SAME WAY AS IF THE ROAD WERE PERMITTED UNDER A RIGHT-OF-WAY APPLICATION SUBJECT TO NATIONAL PARK SERVICE STIPULATIONS.

IT IS IMPORTANT TO ADD IN CONCLUSION THAT THIS EXCHANGE WILL RESULT IN A MORE MANAGEABLE NATIONAL MONUMENT IRRESPECTIVE OF WHETHER OR NOT THE ROAD IS CONSTRUCTED.

THIS CONCLUDES MY PREPARED REMARKS, MR. CHAIRMAN. I WOULD BE PLEASED TO RESPOND TO ANY QUESTIONS YOUR OR OTHER MEMBERS OF THE SUBCOMMITTEE MAY HAVE.

Senator WALLOP. I want to thank you.

Before I turn to Senator Murkowski and Senator Stevens, let me just ask you, in your professional opinion, if you prefer the exchange to the remedies available under title XI.

Mr. CONTOR. Yes, sir; in this particular case, we do.

Senator WALLOP. You much prefer the exchange?

Mr. CONTOR. Yes, sir.

Senator WALLOP. You think that the Government side of it is at least equal, if not improved?

Mr. CONTOR. They're very much improved. This is much more beneficial to the operation and management of the monument, and to allowing the monument to fulfill its purpose as defined in ANILCA.

Senator WALLOP. I thank you very much. And with that, I have been asked by Senator Murkowski and am delighted to permit him to chair the remainder of this hearing. It is of significant importance to him and his State, and I appreciate that.

Senator MURKOWSKI. Thank you very much, Mr. Chairman. I appreciate that accommodation. I might just mention that I was down at the first meeting of the Arctic Research and Policy Council and made an opening statement down there, and they're waiting for one of the witnesses, Mr. Bill Horn, who is scheduled to speak down there very shortly. I thought I'd alert Bill in case he hasn't gotten that on his agenda.

Senator WALLOP. Fine. Well, I'm glad to turn the meeting over to you, Senator.

Senator MURKOWSKI [presiding]. Thank you very much, Mr. Chairman. I want to thank you for your accommodation. In order to expedite the timeframe, I have no further questions of the witnesses. Are there some questions specifically, Tony, that you want to put?

I would then excuse the witnesses and call on Senator Stevens to make an opening statement.

Senator Stevens, you may proceed with your opening statement.

STATEMENT OF HON. TED STEVENS, A U.S. SENATOR FROM THE STATE OF ALASKA

Senator STEVENS. Thank you very much, Mr. Chairman. Obviously, since I've cosponsored S. 444 with you, I strongly support the Cape Krusenstern land exchange. And I want to make only a few brief comments concerning the background and the significance of the exchange.

The Department of the Interior, as it's already been pointed out, already has the authority to affect this exchange under the provisions of the Alaska National Interest Lands Conservation Act. It is clear, however, that an administrative land exchange could be challenged in court, and might not achieve all of the goals of the Park Service. The delay arising from such an exchange would seriously injure NANA, its shareholders, and the other residents of northwest Alaska.

You and I are proceeding with this bill in order to circumvent efforts to delay or derail the exchange through litigation.

The Cape Krusenstern land exchange is a good deal not only for NANA and Alaska, but also for the Cape Krusenstern National Monument and the Federal Government. I'm happy to see major conservation groups such as the National Audubon Society and the National Parks and Conservation Association come forward in support of the exchange.

It is my hope that this exchange will set the stage for a new period of cooperation between such groups and the Alaska congressional delegation on many other issues. Discussion of natural resource management questions in Alaska should not, in my opinion, always have to end up in confrontation and deadlock, and I'm most hopeful that the other associations who appear here today, even though they might at this time oppose enactment of this legislation, will see fit to work with the Park Service and with us in Congress to see if it's possible to have this exchange take place in the manner that would benefit all concerned.

Thank you very much, my friend.

Senator MURKOWSKI. Thank you very much, Senator Stevens. I think this, along with many other activities associated with the development in Arctic Alaska, prove even more so the necessity of having a clear policy with regard to development in the Arctic, and I think it noteworthy to reflect that the Arctic Science Council is meeting this morning in their first meeting with their interagency group to address the necessity of developing policy with this regard.

I have no further questions.

Senator STEVENS. Thank you very much.

STATEMENT OF FRANK H. MURKOWSKI, A U.S. SENATOR FROM THE STATE OF ALASKA

Senator MURKOWSKI. I am going to ask that my entire statement be entered into the record.

Of course, the land exchange before us is critical to the development of the Red Dog mineral deposits, which is a world-class lead and zinc deposit in northwest Alaska. The testimony which we'll have this morning will cite the importance of that particular project. It's development will certainly enhance our minerals security by increasing our recoverable reserves of zinc by more than 33 percent, and almost doubling the Nation's annual production of that metal.

I think it's important to note that the development will also help our trade imbalance, which is critical at this time. Efforts from the Red Dog are expected to total about $250 million a year in current dollars; about a third of that is expected to offset our trade imbalance with the Pacific Rim countries.

The Red Dog mine also is extremely important to the NANA Corporation, which is the Alaska Native Regional Corporation formed pursuant to the Alaska Native Claims Settlement Act. This mine will, of course, be the cornerstone of NANA's economic development, directly employing about 400 individuals over the 50-year estimated lifespan of the mine. It's important to note, as well, that the likelihood of any gainful employment, second to this particular project, is for all practical purposes nonexistent.

The issue before the subcommittee today is the land exchange that will provide the route for the mine access road. While the mine is on property owned by the NANA Corporation, the property is located northeast of the Cape Krusenstern National Monument. If the mine is going to be developed, of course, an access road and port site are going to have to be determined. According to the environmental impact statement prepared last year by the Environmental Protection Agency and the Department of the Interior, the environmentally preferred and economically acceptable route, as has been designated by the witnesses previous, is across the Cape Krusenstern National Monument.

This possibility was foreseen when Congress considered the Alaska Lands Act several years ago, and several provisions were included in that act to deal with problems of this nature. For a variety of reasons, it has been decided that the most expeditious manner to deal with this particular situation is with a legislative land exchange where Congress affirms an agreement between the Department of the Interior and the NANA Regional Corporation is put into effect.

I think that it is noteworthy that in reality this is a rather extraordinary exchange, in that it serves everybody's best interests. It's certainly good for NANA; it's good for the management of Cape Krusenstern National Monument; and because this exchange will reduce private in-holdings and consolidate land ownership patterns in and around the monument, the exchange enhances the Park Service's ability to manage the monument and its value.

I'd, certainly, again like to commend the Park Service, the Department of the Interior, and the NANA Regional Corporation for their diligence in reaching this agreement. I look forward to the testimony that is about to be given, and our first witness.

[The prepared statement of Senator Murkowski follows:]

STATEMENT OF SENATOR FRANK H. MURKOWSKI

BEFORE THE

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER,

AND

RESOURCE CONSERVATION

COMMITTEE ON ENERGY AND NATURAL RESOURCES

UNITED STATES SENATE

WASHINGTON, D.C.

APRIL 29, 1985

MR. CHAIRMAN, I APPRECIATE YOUR SCHEDULING THIS HEARING ON A MEASURE OF GREAT INTEREST TO ME, S. 444. I INTRODUCED THIS LEGISLATION, ALONG WITH MY COLLEAGUE SENATOR STEVENS, TO AFFIRM THE TERMS AND CONDITIONS OF A LAND CONSOLIDATION AND EXCHANGE AGREEMENT BETWEEN NANA REGIONAL CORPORATION, INC., A CORPORATION ORGANIZED PURSUANT TO THE PROVISIONS OF THE ALASKA NATIVE CLAIMS SETTLEMENT ACT, AND THE UNITED STATES, ACTING THROUGH THE DEPARTMENT OF INTERIOR. THE AGREEMENT NEGOTIATED BY NANA AND THE SECRETARY OF INTERIOR IS, BY ITS OWN TERMS, SPECIFICALLY SUBJECT TO CONGRESSIONAL AFFIRMATION.

THIS LAND EXCHANGE WILL ALLOW THE CONSTRUCTION OF AN ACCESS ROAD TO A MINERAL DEPOSIT THAT THE NANA REGIONAL NATIVE CORPORATION

HOPES TO DEVELOP. AT THE OUTSET, I WANT TO STRESS TWO POINTS: THE ACCESS ROAD IS PROPOSED TO BE BUILT ALONG THE ENVIRONMENTALLY PREFERRED ROUTE. OTHER ALTERNATIVES HAVE BEEN STUDIED, A COMPLETE ENVIRONMENTAL IMPACT STATEMENT HAS BEEN PREPARED, AND A GENERAL CONSENSUS EXISTS THAT A LAND EXCHANGE IS NECESSARY TO ALLOW THE ROAD TO BE BUILT ALONG THE PREFERRED ROUTE, ACROSS WHAT IS NOW THE CAPE KRUSENSTERN NATIONAL MONUMENT. I ALSO WANT TO STRESS, MR. PRESIDENT, THAT THIS EXCHANGE ENHANCES OUR OWN MINERAL SECURITY. SHOULD ANY OF MY COLLEAGUES OPPOSE THIS LEGISLATION AND THE EXCHANGE IT AFFIRMS, THEY WILL BE ACTING AGAINST OUR NATIONAL SELF INTEREST AND OUR DESIRE TO ENHANCE OUR OWN MINERAL SECURITY.

THIS EXCHANGE WILL ACCOMPLISH THREE MAJOR OBJECTIVES: FIRST, IT WILL ENHANCE THE OPPORTUNITIES FOR NANA TO FULFILL THE ECONOMIC PURPOSES OF THE ALASKA NATIVE CLAIMS SETTLEMENT ACT BY THE DEVELOPMENT OF NANA'S RED DOG MINE, A MAJOR LEAD AND ZINC DEPOSIT, AND THUS PROVIDE FOR THE SOCIAL AND ECONOMIC NEEDS OF NANA'S SHAREHOLDERS.

SECOND, THE EXCHANGE WILL BENEFIT THE KRUSENSTERN NATIONAL MONUMENT BY REDUCING PRIVATE INHOLDINGS AND PROVIDING FOR THE CONSOLIDATION OF LAND OWNERSHIP PATTERNS AND MORE RATIONAL MANAGEMENT WITHIN THE MONUMENT. THEREFORE, THE INTEREST OF THE PUBLIC IN THE OWNERSHIP AND MANAGEMENT OF OUR PUBLIC LANDS IS SERVED BY THE EXCHANGE.

FINALLY, THE EXCHANGE WILL BENEFIT THE UNITED STATES BY ENHANCING OUR MINERAL SECURITY AND IMPROVING OUR BALANCE OF TRADE. THE DEVELOPMENT OF RED DOG WILL INCREASE OUR RECOVERABLE RESERVES OF ZINC BY MORE THAN 33%, FROM ALMOST 25 MILLION TONS TO ALMOST 40 MILLION TONS OF METAL. WHEN IN FULL PRODUCTION, RED DOG WILL PRODUCE 300,000 TONS OF ZINC PER YEAR, ALMOST DOUBLING THE NATION'S ANNUAL PRODUCTION. DOMESTIC MINES NOW PRODUCE LESS THAN ONE THIRD OF OUR ANNUAL ZINC REQUIREMENTS. AFTER RED DOG COMES ON LINE WE WILL INCREASE ANNUAL PRODUCTION TO TWO THIRDS OF OUR REQUIREMENTS.

WHILE THE ENHANCED ABILITY TO MINE THIS RESOURCE IS IMPORTANT TO OUR NATIONAL SECURITY, THE ABILITY TO MARKET THE RESOURCE ABROAD CAN BE HELPFUL IN THE REDUCTION OF OUR TRADE IMBALANCE, PARTICULARLY WITH JAPAN. EXPORTS FROM THE RED DOG MINE ARE EXPECTED TO TOTAL ABOUT $250 MILLION A YEAR IN CURRENT DOLLARS. ABOUT A THIRD OF THE EXPORTS WILL GO TO JAPAN, HENCE THE PROJECT WILL BE PARTICULARLY HELPFUL IN REDUCING OUR STAGGERING TRADE DEFICIT WITH THAT NATION.

MR. CHAIRMAN, FOR THE BENEFIT OF A COMPLETE RECORD, I'LL NOW GO INTO SOME DETAIL ABOUT THE PROJECT'S BACKGROUND.

NANA, PURSUANT TO THE ALASKA NATIVE CLAIMS SETTLEMENT ACT (ANCSA), SELECTED AND RECEIVED LANDS CONTAINING A MAJOR LEAD/ZINC DEPOSIT. NANA THEN NEGOTIATED AN AGREEMENT WITH COMINCO ALASKA,

A MINING COMPANY, TO DEVELOP THOSE DEPOSITS KNOWN AS THE RED DOG MINE.

THE TIMELY DEVELOPMENT OF THE RED DOG MINE IS EXTREMELY IMPORTANT TO NANA IF ITS NATIVE SHAREHOLDERS ARE TO ENJOY ALL OF THE POTENTIAL BENEFITS OF ANCSA. WHEN FULLY DEVELOPED, THE MINE WILL EMPLOY APPROXIMATELY 400 INDIVIDUALS, MOST OF WHOM WILL BE RESIDENTS OF THE NANA REGION AND NANA SHAREHOLDERS. THE ESTIMATED LIFE OF THE PROJECT IS 50 YEARS, AND THE ANNUAL INCOME FROM THESE JOBS IS ESTIMATED TO BE APPROXIMATELY $15 MILLION.

AT THE PRESENT TIME THERE IS NO ECONOMIC BASE WITHIN THE NANA REGION THAT CAN OFFER EVEN REMOTELY SUFFICIENT JOB OPPORTUNITIES TO THE RESIDENTS. AS A RESULT, MANY OF NANA'S RESIDENTS ARE SEEKING EMPLOYMENT OUTSIDE THE REGION, CREATING A GREAT DEAL OF DISLOCATION. THE DEVELOPMENT OF THE RED DOG MINE WILL CHANGE ALL THAT.

THE RED DOG MINE IS LANDLOCKED, AND IT IS LOCATED NORTHEAST OF CAPE KRUSENSTERN NATIONAL MONUMENT. IN ORDER TO DEVELOP THE MINE, AN ACCESS ROAD AND PORT SITE WILL HAVE TO BE BUILT. A SEPTEMBER, 1984, ENVIRONMENTAL IMPACT STATEMENT FOR THE PROJECT DETERMINED THAT THE ENVIRONMENTALLY PREFERRED AS WELL AS ECONOMICALLY ACCEPTABLE ROUTE WAS ACROSS THE MONUMENT.

NANA OWNS LAND AND CONVEYANCE RIGHTS IN LANDS TOTALING APPROXIMATELY 195,043 ACRES WITHIN THE MONUMENT. WHILE NOT ALL

OF THE LANDS SUBJECT TO SELECTION BY NANA WITHIN THE MONUMENT WILL ULTIMATELY BE CONVEYED TO NANA, IT IS ANTICIPATED THAT SUBSTANTIAL ACREAGE WILL EVENTUALLY BE CONVEYED.

IN ORDER TO FACILITATE ACCESS TO THE RED DOG MINE, NANA PROPOSED A LAND EXCHANGE TO THE DEPARTMENT OF THE INTERIOR, WHEREBY NANA WOULD EXCHANGE LANDS CONVEYED TO IT AND LANDS SUBJECT TO CONVEYANCE TO IT WITHIN THE MONUMENT FOR OTHER LANDS WITHIN THE MONUMENT. THESE LANDS COULD THEN BE USED FOR THE ENVIRONMENTALLY PREFERRED AND ECONOMICALLY ACCEPTABLE ACCESS ROAD. ALL REQUIRED FEDERAL AND STATE PERMITS WOULD STILL BE NEEDED, HOWEVER, BEFORE THE ROAD COULD BE CONSTRUCTED.

WHILE ACCESS COULD BE SOUGHT ACROSS THE MONUMENT PURSUANT TO TITLE XI OF THE ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT (ANILCA), BY WHAT IN EFFECT IS A FEDERAL RIGHT OF WAY, TITLE XI REMAINS AN UNTESTED PROCEDURE FOR OBTAINING CONGRESSIONAL APPROVAL OF A RIGHT OF WAY. NANA BELIEVES THAT A LEGISLATED LAND EXCHANGE IS THE MOST EXPEDITIOUS MANNER BY WHICH IT CAN RECEIVE THE RIGHT OF WAY. THIS APPROACH WILL ELIMINATE THE UNCERTAINTY ASSOCIATED WITH A TITLE XI APPLICATION.

MR. CHAIRMAN, I WOULD NOW LIKE TO PROVIDE A OUTLINE OF THE MAJOR PROVISIONS OF THE LAND EXCHANGE FOR THE RECORD:

MAJOR ASPECTS OF THE LAND EXCHANGE:

- FEDERAL GOVERNMENT RECEIVES:

  - Conveyance of 1,345 acres of prime coastal lands now belonging to NANA;

  - Relinquishment of NANA's existing rights to select 103,338 acres within the monument;

  - Conservation easements for the protection of 18,942 acres of land near Shesha'lik (important archeological and cultural area of great interest to the Park Service);

  - Easements and public rights to an important five acre tract at Kobuk Valley National Park.

  - Interests and easements for protection and study of the resource values within the 65,274 acre block of land which will be traversed by the road.

  - Trail easements providing public access across NANA lands to monument lands.

NANA RECEIVES:

- Title to 62,084 acres within the monument (on which to build the road).
- Easements for two winter use trails across monument and other Federal lands between Kivalina and Noatak;
- Title to 1,915 acres outside Monument, and conveyance of 31,844 acres in Northwest corner of monument to which it already has vested rights pursuant to ANCSA.

MR. CHAIRMAN, THERE ARE A NUMBER OF OTHER MATERIALS WHICH WILL BE PLACED INTO THE RECORD AT A LATER POINT WHICH DETAIL ALL OF THE PROVISIONS AND EFFECTS OF THE LAND EXCHANGE. THESE MATERIALS INCLUDE THE ACTUAL EXCHANGE AGREEMENT, A NATIONAL PARK SERVICE RESOURCE EVALUATION, AND APPROPRIATE MAPS.

THANK YOU, MR. CHAIRMAN.

Senator MURKOWSKI. In order to, I guess, expedite the existing schedule of witnesses, we're going to depart from the particular matter before us to amend the Alaska Native Claims Settlement Act, and move to Senate bill 488, and House Resolution 1185, which is the Petrified National Forest Park, and Senate bill 543, and House Resolution 1373, the Phil Burton Wilderness, to designate the wilderness at Point Reyes National Seashore in California.

Our witness is Mr. Stanley Albright, Acting Director for Operations, National Park Service, Department of the Interior, Washington, DC.

Mr. Albright, I guess you're the only witness?

STATEMENT OF STANLEY T. ALBRIGHT, ACTING DIRECTOR, NATIONAL PARK SERVICE, DEPARTMENT OF THE INTERIOR

Mr. ALBRIGHT. Yes, sir.

Senator MURKOWSKI. We're only going to hear one side of the story this morning. Please proceed.

Mr. ALBRIGHT. Thank you very much, Mr. Chairman.

It's my pleasure this morning to appear before the committee to discuss S. 488, which is establishing an amendment to the Petrified Forest National Park boundary, and also S. 543, the Phillip Burton Wilderness.

Do you have any preference as to which one I take first?

Senator MURKOWSKI. No; identify whichever one you're going to go on, and have at it.

Mr. ALBRIGHT. S. 488 and H.R. 1185 are bills which would amend the act establishing the Petrified Forest National Park. We recommend the enactment of either one of these bills.

S. 488 and H.R. 1185 as passed by the House are identical bills which would add approximately 40 acres of land known as tract 236 to the eastern boundary of Petrified Forest National Park in the State of Arizona. The Petrified Forest was set aside on December 8, 1906, to preserve examples of the trees that are petrified, or changed to multicolored stone; Indian ruins and petroglyphs; and portions of the colorful Painted Desert. The act of March 28, 1958, authorized the establishment of this area as a national park, and also authorized a boundary adjustment. The park was officially established on December 9, 1962, and currently consists of 93,492 acres of federally owned land.

On January 11, 1985, former Director Dickenson received a letter from Mr. Mark Michel, president of the Archeological Conservancy, stating their wish to donate this particular parcel should they be successful in acquiring the tract. It is our understanding that the Archeological Conservancy consummated the purchase of the surface rights in early February of this year.

Further, it is our understanding that the Santa Fe Mining Co. owns the subsurface estate, and there is the possibility of an exchange with the Bureau of Land Management under the Federal Land Policy and Management Act of the subsurface rights. Assuming that the subsurface estate could be acquired by donation or by equal-value exchange, this legislation if enacted would put the National Park Service in a position to be able to accept the donation of this 40-acre tract of land. It is our intention not to accept title to a split estate.

Tract 236 contains a very important pre-Columbian ruin, but has been neither mapped nor studied. It is situated just outside the eastern boundary of the park on the edge of a steep promontory of a wide mesa overlooking the Valley of Dead Wash. The site consists of a small pueblo that appears to be preplanned and an assumed dance court.

The pueblo contains a block of at least five rooms and, perhaps, two kivas, one of which may be a circular adobe inside a rectangular stone room. While some collected pottery has been previously identified by Laurens Hammack of the Arizona State Museum as Pueblo II dating between 1000 and 1100 A.D., complete studies have not been conducted on this site.

We have recently been informed by the Petrified Forest Museum Association that the association will donate $5,000 for archeological research in the park. Other costs associated with this donation would include several thousand dollars' worth of labor to install a partial fence around the site to help keep trespass cattle and Indian pottery poachers out. The park already has sufficient fencing material to accomplish the job, and the cost of labor would be absorbed within existing funding and staffing. Finally, any additional patrolling that may be necessary will be absorbed by existing staff and within existing funds.

That concludes my prepared statement, Mr. Chairman, on this particular bill, if there are any questions.

Senator MURKOWSKI. Thank you. You may proceed with your next bill and testimony.

Mr. ALBRIGHT. Thank you, sir.

H.R. 1373, which passed the House of Representatives on April 2, and S. 543 would designate the 25,370-acre Point Reyes Wilderness as the "Phillip Burton Wilderness."

We recommend that this bill not be enacted. The naming of units of the National Park System, or wilderness within parks, for former Members of Congress would be contrary to the policy that Congress has followed since the first national park was established in 1872; and it would be contrary to the policy expressed by the committees on Interior and Insular Affairs when the Point Reyes Wilderness was designated in 1976. Further, the Congress in 1983 dedicated the Gold Gate National Recreation Area to Congressman Phillip Burton:

> In recognition of his leadership in establishing the Golden Gate National Recreation Area, his outstanding contributions to the National Park System, the Wilderness Preservation System, and to the protection and preservation of our great natural and cultural resources for the benefit of the people of the United States * * *

Congressional policy with respect to the naming of parks for Members of Congress or other contemporary individuals has been either to name a visitor center after the individual, such as was done for Senator Hart at Sleeping Bear Dunes National Lakeshore, and for Representative Clem Miller at Point Reyes National Seashore, or to dedicate the area to the memory of the individual, such as was done for Representative Burton at Golden Gate National Recreation Area, and most recently for Representative Gladys Noon Spellman at the Baltimore-Washington Parkway. In no instance has the Congress renamed a park or a wilderness within a park after a former Member of Congress.

We have understood the policy of the Congress to be that which characterized the committees' action on the Point Reyes Wilderness legislation in the 94th Congress. H.R. 8002 would have designated three wilderness units in Point Reyes National Seashore, one to be named the Point Reyes Clem Miller Wilderness. The House Committee on Interior and Insular Affairs reported a substitute. The substitute directed the Secretary to designate the principal environmental education center within the seashore as the "Clem Miller Environmental Education Center," to commemorate the vision and leadership of the late Congressman in the establishment of the seashore. The committee report stated as follows:

> The committee felt this would be a most suitable approach for recognizing the contributions of this individual, and would be consistent with both the committee's and the National Park Service's policies with regard to the application of names of persons to and within units of the National Park System.

The Senate Committee on Interior and Insular Affairs also adopted language directing the Secretary to designate the Clem Miller Environmental Education Center, in its report of September 29, 1976, on H.R. 13160, a bill designating wilderness in several national park areas. The Senate committee amended the bill to add the Point Reyes Wilderness and require the designation of the visitor center. The Senate committee in its report stated:

A new section if included which honors the late Clem Miller, who was instrumental in achieving the establishment of Point Reyes as a national seashore, by designating the principal environmental education center within the seashore as the Clem Miller Environmental Education Center.

For the information of the committee, both H.R. 8002 and H.R. 13160 were enacted into law in the 94th Congress. Both designated wilderness "to be known as the Point Reyes Wilderness" at Point Reyes, and both laws provided for the Clem Miller Environmental Education Center.

Mr. Chairman, we urge the committee to adhere to earlier precedents and not establish the precedent embodied in H.R. 1373 and S. 543. Representative Phillip Burton's contributions to the National Wilderness Preservation System and the National Park System have already been recognized in Public Law 98-28, which I quoted earlier. Pursuant to that law there will be a memorial to Mr. Burton maintained within Golden Gate National Recreation Area. We believe Public Law 98-28 is the appropriate way of commemorating his work on behalf of conservation.

This concludes my prepared remarks, Mr. Chairman, and I would be pleased to respond to any questions.

[The prepared statements of Mr. Albright follow:]

STATEMENT OF STANLEY T. ALBRIGHT, ACTING DIRECTOR, NATIONAL PARK SERVICE, DEPARTMENT OF THE INTERIOR, BEFORE THE SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER, AND RESOURCE CONSERVATION, SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES, CONCERNING S. 488 AND H.R. 1185, BILLS TO AMEND THE ACT ESTABLISHING THE PETRIFIED FOREST NATIONAL PARK.

APRIL 29, 1985

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, IT IS A PLEASURE TO APPEAR BEFORE YOU TODAY TO DISCUSS S. 488 AND H.R. 1185, BILLS WHICH WOULD AMEND THE ACT ESTABLISHING THE PETRIFIED FOREST NATIONAL PARK.

WE RECOMMEND THE ENACTMENT OF EITHER ONE OF THE BILLS.

S. 488 AND H.R. 1185 AS PASSED BY THE HOUSE ARE IDENTICAL BILLS WHICH WOULD ADD APPROXIMATELY 40 ACRES OF LAND KNOWN AS TRACT 236 TO THE EASTERN BOUNDARY OF PETRIFIED FOREST NATIONAL PARK IN THE STATE OF ARIZONA. PETRIFIED FOREST WAS SET ASIDE ON DECEMBER 8, 1906, TO PRESERVE EXAMPLES OF TREES THAT HAVE PETRIFIED, OR CHANGED TO MULTICOLORED STONE; INDIAN RUINS AND PETROGLYPHS; AND PORTIONS OF THE COLORFUL PAINTED DESERT. THE ACT OF MARCH 28, 1958, AUTHORIZED THE ESTABLISHMENT OF THIS AREA AS A NATIONAL PARK AND ALSO AUTHORIZED A BOUNDARY ADJUSTMENT. THE PARK WAS OFFICIALLY ESTABLISHED ON DECEMBER 9, 1962, AND CURRENTLY CONSISTS OF 93,492.57 ACRES OF FEDERALLY OWNED LAND.

ON JANUARY 11, 1985, FORMER DIRECTOR DICKENSON RECEIVED A LETTER FROM MR. MARK MICHEL, PRESIDENT OF THE ARCHEOLOGICAL CONSERVANCY, STATING THEIR WISH TO DONATE THIS PARTICULAR PARCEL SHOULD THEY

BE SUCCESSFUL IN ACQUIRING THE TRACT. IT IS OUR UNDERSTANDING THAT THE ARCHEOLOGICAL CONSERVANCY CONSUMMATED THE PURCHASE OF THE SURFACE RIGHTS IN EARLY FEBRUARY OF THIS YEAR. FURTHER, IT IS OUR UNDERSTANDING THAT THE SANTE FE MINING COMPANY OWNS THE SUBSURFACE ESTATE, AND THERE IS THE POSSIBILITY OF AN EXCHANGE WITH THE BUREAU OF LAND MANAGEMENT UNDER THE FEDERAL LAND POLICY AND MANAGEMENT ACT OF 1976 OF THE SUBSURFACE RIGHTS. ASSUMING THAT THE SUBSURFACE ESTATE COULD BE ACQUIRED BY DONATION OR BY EQUAL-VALUE EXCHANGE, THIS LEGISLATION, IF ENACTED, WOULD PUT THE NATIONAL PARK SERVICE IN A POSITION TO BE ABLE TO ACCEPT THE DONATION OF THIS 40-ACRE TRACT OF LAND. IT IS OUR INTENTION NOT TO ACCEPT TITLE TO A SPLIT ESTATE.

TRACT 236 CONTAINS A VERY IMPORTANT PRE-COLUMBIAN RUIN, BUT HAS BEEN NEITHER MAPPED NOR STUDIED. IT IS SITUATED JUST OUTSIDE THE EASTERN BOUNDARY OF THE PARK ON THE EDGE OF A STEEP PROMONTORY OF A WIDE MESA OVERLOOKING THE VALLEY OF DEAD WASH. THE SITE CONSISTS OF A SMALL PUEBLO THAT APPEARS TO BE PREPLANNED AND AN ASSUMED DANCE COURT. THE PUEBLO CONTAINS A BLOCK OF AT LEAST FIVE ROOMS AND, PERHAPS, TWO KIVAS, ONE OF WHICH MAY BE A CIRCULAR ADOBE INSIDE A RECTANGULAR STONE ROOM. WHILE SOME COLLECTED POTTERY HAS BEEN PREVIOUSLY IDENTIFIED BY LAURENS HAMMACK OF THE ARIZONA STATE MUSEUM AS "PUEBLO II" DATING BETWEEN 1000 AND 1100 A.D., COMPLETE STUDIES HAVE NOT BEEN CONDUCTED ON THIS SITE.

WE HAVE RECENTLY BEEN INFORMED BY THE PETRIFIED FOREST MUSEUM ASSOCIATION THAT THE ASSOCIATION WILL DONATE $5,000 FOR ARCHEOLOGICAL RESEARCH IN THE PARK. OTHER COSTS ASSOCIATED WITH THIS DONATION WOULD INCLUDE SEVERAL THOUSAND DOLLARS WORTH OF LABOR TO INSTALL A PARTIAL FENCE AROUND THE SITE TO HELP KEEP TRESPASS CATTLE AND INDIAN POTTERY POACHERS OUT. THE PARK ALREADY HAS SUFFICIENT FENCING MATERIAL TO ACCOMPLISH THE JOB, AND THE COST OF LABOR WOULD BE ABSORBED WITHIN EXISTING FUNDING AND STAFFING. FINALLY, ANY ADDITIONAL PATROLLING THAT MAY BE NECESSARY WILL BE ABSORBED BY EXISTING STAFF AND WITHIN EXISTING FUNDS.

THAT CONCLUDES MY PREPARED STATEMENT, MR. CHAIRMAN. I WOULD BE HAPPY TO RESPOND TO ANY QUESTIONS THAT YOU OR OTHER MEMBERS OF THE COMMITTEE MAY HAVE.

STATEMENT OF STANLEY T. ALBRIGHT, ACTING DIRECTOR, NATIONAL PARK SERVICE, DEPARTMENT OF THE INTERIOR, BEFORE THE SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER, AND RESOURCE CONSERVATION, SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES, CONCERNING H.R. 1373 AND S. 543, BILLS TO DESIGNATE THE WILDERNESS IN THE POINT REYES NATIONAL SEASHORE IN CALIFORNIA AS THE PHILLIP BURTON WILDERNESS.

APRIL 29, 1985

MR. CHAIRMAN, I APPRECIATE THE OPPORTUNITY TO PROVIDE YOUR SUBCOMMITTEE WITH THE VIEWS OF THE DEPARTMENT OF THE INTERIOR ON THIS LEGISLATION.

H.R. 1373, WHICH PASSED THE HOUSE OF REPRESENTATIVES ON APRIL 2, AND S.543 WOULD DESIGNATE THE 25,370-ACRE POINT REYES WILDERNESS AS THE "PHILLIP BURTON WILDERNESS."

WE RECOMMEND THAT THIS BILL NOT BE ENACTED. THE NAMING OF UNITS OF THE NATIONAL PARK SYSTEM, OR WILDERNESS WITHIN PARKS, FOR FORMER MEMBERS OF CONGRESS WOULD BE CONTRARY TO THE POLICY THAT CONGRESS HAS FOLLOWED SINCE THE FIRST NATIONAL PARK WAS ESTABLISHED IN 1872; AND IT WOULD BE CONTRARY TO THE POLICY EXPRESSED BY THE COMMITTEES ON INTERIOR AND INSULAR AFFAIRS WHEN THE POINT REYES WILDERNESS WAS DESIGNATED IN 1976; FURTHER, THE CONGRESS IN 1983 DEDICATED THE GOLDEN GATE NATIONAL RECREATION AREA TO CONGRESSMAN PHILLIP BURTON, "IN RECOGNITION OF HIS LEADERSHIP IN ESTABLISHING THE GOLDEN GATE NATIONAL RECREATION AREA, HIS OUTSTANDING CONTRIBUTIONS TO THE NATIONAL PARK SYSTEM,

THE WILDERNESS PRESERVATION SYSTEM, AND TO THE PROTECTION AND PRESERVATION OF OUR GREAT NATURAL AND CULTURAL RESOURCES FOR THE BENEFIT OF THE PEOPLE OF THE UNITED STATES FOR ALL TIME." (P.L. 98-28).

CONGRESSIONAL POLICY WITH RESPECT TO THE NAMING OF PARKS FOR MEMBERS OF CONGRESS OR OTHER CONTEMPORARY INDIVIDUALS HAS BEEN EITHER TO NAME A VISITOR CENTER AFTER THE INDIVIDUAL, SUCH AS WAS DONE FOR SENATOR HART AT SLEEPING BEAR DUNES NATIONAL LAKESHORE AND FOR REPRESENTATIVE CLEM MILLER AT POINT REYES NATIONAL SEASHORE, OR TO DEDICATE THE AREA TO THE MEMORY OF THE INDIVIDUAL, SUCH AS WAS DONE FOR REPRESENTATIVE BURTON AT GOLDEN GATE NATIONAL RECREATION AREA AND MOST RECENTLY FOR REPRESENTATIVE GLADYS NOON SPELLMAN AT THE BALTIMORE-WASHINGTON PARKWAY. IN NO INSTANCE HAS THE CONGRESS RENAMED A PARK OR A WILDERNESS WITHIN A PARK AFTER A FORMER MEMBER OF CONGRESS.

WE HAVE UNDERSTOOD THE POLICY OF THE CONGRESS TO BE THAT WHICH CHARACTERIZED THE COMMITTEES' ACTION ON THE POINT REYES WILDERNESS LEGISLATION IN THE 94TH CONGRESS. H.R. 8002 WOULD HAVE DESIGNATED THREE WILDERNESS UNITS IN POINT REYES NATIONAL SEASHORE, ONE TO BE NAMED THE "POINT REYES CLEM MILLER WILDERNESS." THE HOUSE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS REPORTED A SUBSTITUTE. THE SUBSTITUTE DIRECTED THE SECRETARY TO

DESIGNATE THE PRINCIPAL ENVIRONMENTAL EDUCATION CENTER WITHIN THE SEASHORE AS THE "CLEM MILLER ENVIRONMENTAL EDUCATION CENTER," TO COMMEMORATE THE VISION AND LEADERSHIP OF THE LATE CONGRESSMAN IN THE ESTABLISHMENT OF THE SEASHORE. THE COMMITTEE REPORT (NUMBER 94-1680, DATED SEPTEMBER 24, 1976, AT PAGE 4) STATED AS FOLLOWS:

> "THE COMMITTEE FELT THIS WOULD BE A MOST SUITABLE APPROACH FOR RECOGNIZING THE CONTRIBUTIONS OF THIS INDIVIDUAL, AND WOULD BE CONSISTENT WITH BOTH THE COMMITTEE'S AND THE NATIONAL PARK SERVICE'S POLICIES WITH REGARD TO THE APPLICATION OF NAMES OF PERSONS TO AND WITHIN UNITS OF THE NATIONAL PARK SYSTEM."

THE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS ALSO ADOPTED LANGUAGE DIRECTING THE SECRETARY TO DESIGNATE THE CLEM MILLER ENVIRONMENTAL EDUCATION CENTER, IN ITS REPORT OF SEPTEMBER 29, 1976, ON H.R. 13160, A BILL DESIGNATING WILDERNESS IN SEVERAL NATIONAL PARK AREAS. THE SENATE COMMITTEE AMENDED THE BILL TO ADD THE POINT REYES WILDERNESS AND REQUIRE THE DESIGNATION OF THE VISITOR CENTER. THE SENATE COMMITTEE, IN ITS REPORT (NUMBER 94-1357, AT PAGE 7), STATED:

> "...A NEW SECTION IS INCLUDED WHICH HONORS THE LATE CLEM MILLER, WHO WAS INSTRUMENTAL IN ACHIEVING THE ESTABLISHMENT OF POINT

REYES AS A NATIONAL SEASHORE, BY DESIGNATING THE PRINCIPLE ENVIRONMENTAL EDUCATION CENTER WITHIN THE SEASHORE AS THE CLEM MILLER ENVIRONMENTAL EDUCATION CENTER'."

FOR THE INFORMATION OF THE COMMITTEE, BOTH H.R. 8002 AND H.R. 13160 WERE ENACTED INTO LAW IN THE 94TH CONGRESS. BOTH DESIGNATED WILDERNESS, "TO BE KNOWN AS THE POINT REYES WILDERNESS" AT POINT REYES, AND BOTH LAWS PROVIDED FOR THE CLEM MILLER ENVIRONMENTAL EDUCATION CENTER.

MR. CHAIRMAN, WE URGE THE COMMITTEE TO ADHERE TO EARLIER PRECEDENTS AND NOT ESTABLISH THE PRECEDENT EMBODIED IN H.R. 1373 AND S.543. REPRESENTATIVE PHILLIP BURTON'S CONTRIBUTIONS TO THE NATIONAL WILDERNESS PRESERVATION SYSTEM AND THE NATIONAL PARK SYSTEM HAVE ALREADY BEEN RECOGNIZED IN PUBLIC LAW 98-28, WHICH I QUOTED EARLIER. PURSUANT TO THAT LAW THERE WILL BE A MEMORIAL TO MR. BURTON MAINTAINED WITHIN GOLDEN GATE NATIONAL RECREATION AREA. WE BELIEVE PUBLIC LAW 98-28 IS THE APPROPRIATE WAY OF COMMEMORATING HIS WORK ON BEHALF OF CONSERVATION.

THIS CONCLUDES MY PREPARED REMARKS, MR. CHAIRMAN. I WOULD BE PLEASED TO RESPOND TO ANY QUESTIONS YOU OR OTHER MEMBERS OF THE COMMITTEE MAY HAVE.

Senator MURKOWSKI. Thank you very much, Mr. Albright.

You indicated that there has been no change in any areas named for Members of Congress. But have there been any that were originally named and not elevated later?

Mr. ALBRIGHT. Yes, sir. There are numerous areas which were established commemorating a place for persons such as the Martin Luther King NHS and various other historic sites which are named after the principals that the site commemorates.

Senator MURKOWSKI. But originally, there have been no sites named after Members of Congress? That was the point you made, isn't it?

Mr. ALBRIGHT. No. We said that there has been no areas that had been renamed for Congressmen.

Senator MURKOWSKI. Renamed?

Mr. ALBRIGHT. Sites or areas had not been renamed to recognize a Member of Congress.

Senator MURKOWSKI. Were they ever named originally?

Mr. ALBRIGHT. Yes, sir, but not after Congressmen; however, in terms of historic sites, those are named after the people that the site commemorates, such as——

Senator MURKOWSKI. I know.

Mr. ALBRIGHT [continuing]. Adams National Historical Site, Theodore Roosevelt National Park——

Senator MURKOWSKI. The point you were making was that none of the sites were renamed for a Member of Congress, as opposed to renaming a visitor's center after a Member of Congress?

Mr. ALBRIGHT. Yes, sir, instead of renaming a site for a Congressman, the way it has been handled has been to dedicate either a visitor's center or, in the case of Congressman Burton, to dedicate the Golden Gate National Recreation Area to him, rather than renaming the area.

Senator MURKOWSKI. So there's no precedent being broken here. There's one being followed, isn't it, from your point of view or from Congress' point of view?

Mr. ALBRIGHT. I think we feel that there might be a precedent here, sir.

Senator MURKOWSKI. In this case?

Mr. ALBRIGHT. Yes.

Senator MURKOWSKI. OK. I understand in Forest Service areas we've named——

Mr. ALBRIGHT. Yes, sir, that's correct.

Senator MURKOWSKI [continuing]. Some people.

Mr. ALBRIGHT. That is correct.

Senator MURKOWSKI. Henry Jackson, and some others.

Mr. ALBRIGHT. Yes, sir.

Senator MURKOWSKI. All right. I have no further questions. You may be excused.

Mr. ALBRIGHT. Thank you.

Senator MURKOWSKI. Our next witness panel will consist of Mr. Willie Hensley, vice president and secretary, NANA Regional Corp., and Mr. Don Argetsinger, vice president, NANA Regional Corp.; and Mr. Hank Giegerich, president Cominco Alaska, Inc. Is that the correct pronunciation? And I think you're going to have some visual displays. You may set them up at your convenience.

I hope you gentlemen are not staying too long in our Nation's Capital, because it's hay fever season, and with hay fever come runny eyes and all kinds of strange maladies that Alaskans get down here if they spend too much time in Washington. For two bits and a ticket, I'd go home and see if I could get rid of my hay fever, but I have neither one.

STATEMENT OF WILLIAM L. HENSLEY, VICE PRESIDENT AND SECRETARY, NANA REGIONAL CORP., INC., ACCOMPANIED BY DON ARGETSINGER, VICE PRESIDENT, NANA REGIONAL CORP., INC.

Mr. HENSLEY. Mr. Chairman?

Senator MURKOWSKI. Mr. Hensley.

Mr. HENSLEY. Yes; thank you for holding the hearing.

Senator MURKOWSKI. I wonder if I could wait until you're through—I assume these are part of your exhibits? Is that correct? I assume that.

Mr. HENSLEY. I don't have any exhibits. Hank has exhibits.

Mr. GIEGERICH. Yes; it's part of mine, Mr. Chairman.

Senator MURKOWSKI. OK, well, if it's part of yours, then, we can listen to Mr. Hensley and proceed while they're putting up your exhibit.

I want to welcome you, Willie, to the committee hearing; and I guess I have a statement here that says John Schaeffer. John isn't here, and you are, so I assume that's the statement that will be entered into the record? I don't know whether you wrote it or John wrote it.

Mr. HENSLEY. Well, Mr. Chairman, since John is my nephew, even though he's my boss, sometimes the uncle has more say than the nephew does.

Senator MURKOWSKI. I see.

Mr. HENSLEY. My name is—for the record, I am William L. Hensley. I am vice president and secretary for NANA Regional Corp. With me is Don Argetsinger, who is also a vice president for NANA. And, of course, Hank Giegerich with Cominco is also here.

I am appearing on behalf of John, who had his appendix taken out not too long ago, and he's sort of indisposed. But I would like to have his statement put in the record.

Senator MURKOWSKI. It will be entered into the record. I wonder if you'd pull the microphone a little closer, Mr. Hensley.

Mr. HENSLEY. Yes.

Senator MURKOWSKI. Thank you.

Mr. HENSLEY. Mr. Chairman, we do thank you for the opportunity to speak on S. 444, which would authorize and ratify a land exchange that we have entered into with the United States within Cape Krusenstern National Monument. Mr. Chairman, this area is a little bit more significant to me than others in the sense that I was raised along the Little Noatak River, and also my grandfather is buried within the monument, the Krusenstern Monument.

I just have a few comments to make, Mr. Chairman. This legislation is very important to all of the 11 villages in our region, but it's not as if we rushed headlong into developing a mine in the early years. We've waited 7 years until the people were really ready to

proceed with such a project; but it cannot proceed without the road and the port.

The people of our area have participated very actively in the selection of the proposed route for the road, as well as the location of the port. Our board, which represents the villages in our region, has been involved, as well as the subsistence committee, consisting of people from the closer villages of Kivalina and Noatak, and they have also had, of course, hearings within those communities so that the public there is very much aware of the proposed route.

The access to the coast is critical to the creation of the mine, and, of course, for our purposes the employment is probably more important an aspect of this project than anything else. Our people have always depended on the fish and game in that area for survival. Nowadays the people have to have cash to survive, as well, and frankly we need something more dependable than Government spending, which now makes up over 85 percent of our economy. So those 400 jobs are very critical to the future of our people and the economy of that region.

Also, we have worked very diligently to try to make that land settlement work that Congress provided back in 1971. And this project, if it proceeds, will not only help NANA but it will also help the other regional corporations through the application of 7(i), which requires that we share 70 percent of everything we get from this project. Also, it will be beneficial to the State in the sense that we would create something else for the State to tax, and also diversify our economy away from oil somewhat.

So that is the extent of my testimony.

[The prepared statement of Mr. Schaeffer follows:]

STATEMENT OF

JOHN W. SCHAEFFER, JR.,

PRESIDENT

NANA REGIONAL CORPORATION

Submitted to the Subcommittee on
Public Lands, Reserved Waters and
Resource Conservation of the Committee on
Energy and Natural Resources of the United States
Senate for Inclusion in the Hearing Record on S. 444

Mr. Chairman, my name is John W. Schaeffer, and I am President of NANA Regional Corporation, Inc., of Kotzebue, Alaska. I submit this statement on behalf of NANA in support of S. 444 and for inclusion in the hearing record.

NANA is an Alaska Native Regional Corporation formed under the Alaska Native Claims Settlement Act for 4,700 Alaska Native shareholders residing in the Kotzebue region of northwest Alaska. S. 444 would authorize and ratify a proposed land exchange within the Cape Krusenstern National Monument between NANA and the United States, with the lands received by NANA used as part of a transportation system from a port site on the Chukchi Sea to the Red Dog Mineral deposits conveyed to NANA as part of its Settlement Act entitlements and lying beyond the Monument.

As the Committee knows, Cape Krusenstern is one of the national conservation system units established under the authority of the Alaska National Interest Lands Conservation Act ("ANILCA"). It lies north of Kotzebue and between the villages of Kivalina and Noatak. The location is shown on the map attached to my statement. The Monument boundaries established by

ANILCA overlap land selections made in the early 1970's by the villages of Kivalina, Noatak, Kotzebue, and NANA pursuant to the Settlement Act.

NANA, during the course of the discussions, negotiations and legislation, supported the establishment of national conservation system units in northwest Alaska. As a result of the passage of ANILCA in 1980, there are six major units of the National Parks and National Wildlife Refuge system either wholly or partially within our region. NANA supported the efforts to establish these parks and refuges because our shareholders felt very strongly then, as they continue to do today, about the land in our region and how it should be used and managed. The culture and economy of the NANA region is almost exclusively one of subsistence; therefore we sought protection for subsistence as a fundamental principle of land management for each of the units established in our area.

We have worked especially closely with the Park Service in putting together our own land management policies and programs to make certain our land and the surrounding lands are managed in a way that protects and enhances the cultural values and needs of our people. We will continue to do this as our responsibilities increase as a result of receiving title to the remaining half of our land selections under the Claims Act.

We have already provided the Committee staff with extensive documentation regarding the proposed exchange and have made every effort to keep members of the Committee staff and the conservation organizations fully informed of our intentions

throughout the process of formulating the proposed exchange, a process which started over two years ago. I believe it is fair to say that the proposed exchange has been carried out in as open a way as possible. As a result, there is a great deal of support for the exchange in Alaska including that of Governor Sheffield and the entire Alaska Land Use Council, which includes the Alaska Regional Directors of the Park Service, Fish and Wildlife Service, and the Bureau of Land Management.

NANA and the Park Service have approached this land exchange with several objectives in mind. First, one basic objective of any exchange of lands (which are our major cultural and financial asset) was to equalize the values involved in the trade for both the government and NANA. Second, we sought to formulate an exchange which would be in the national interest by increasing and enhancing the basic values of the Cape Krusenstern National Monument and, if it were possible, the values of one other National Park Service unit in our region. Third, we tried to structure the exchange in such a way that the overall management of the Monument was improved. This is achieved through consolidation of inholdings for management purposes, restrictions on the use and development of certain inholdings, and providing guaranteed rights of access for the Park Service on Native lands in support of their interests in archeological and cultural resources, and wildlife research and protection. The proposed exchange achieves these objectives by:

-- Requiring NANA to vacate approximately 102,000 acres of valid selections on the eastern side of

the Monument which protect and are a part of key monument watersheds and have archeological and wildlife values;

-- Adding coastal lands already conveyed to NANA on the west side of the Monument back into the Monument;

-- Providing the Park Service with covenants relating to archeological resource protection and research, cultural resource protection, and major development on approximately 11,000 acres of NANA lands in the southeast portion of the Monument;

-- Accepting from the Secretary of the Interior an extensive and strict set of covenants on land to be transferred from Monument to NANA ownership, and on existing NANA selections within the Monument to which NANA has agreed to take title;

-- Agreeing not to challenge the BLM's use of sand and gravel for the improvement of the public easements located throughout our region, and;

-- Providing the National Park Service with use of NANA lands within the Kobuk Valley National Park adjacent to the Kobuk River, to serve their administrative needs and the needs of travelers along that river.

In exchange for these benefits, protection and values provided by NANA under the proposed exchange, we would receive title to approximately 64,000 acres of land in the northernmost

portion of the Monument. These are lands which differ significantly from those lands which surround the heart of the Monument itself at Cape Krusenstern. These are not lands which were included in the initial D-2 withdrawals in 1973 pursuant to Section 17(d)(2) of the Settlement Act or study areas formulated by various administrations of the Department of the Interior following the 1973 withdrawals. These lands were only added to the Monument as a result of final Congressional action on ANILCA. They are, however, important to us if we are to be successful in achieving two very important objectives for our shareholders.

The first of those objectives is protecting the environment and protecting the land and its subsistence resources in our region. The second objective is to provide jobs for our people. We seek to achieve these objectives through the development of the one and only major economic opportunity available to us in the Region -- the Red Dog mine project which is located on lands conveyed to NANA under the Settlement Act.

First I should explain that the decision on whether or not NANA wanted mineral development to occur at all was not made quickly. It took seven years and the final decision was made by our shareholders. Their decision was difficult because, on the one hand there is the relationship the NANA shareholders have with the land in the region and their concern for the environmental consequences of development, while, on the other hand, it is becoming more and more difficult to survive in a western society which requires money in order to secure the things people need.

This is particularly hard in the NANA region where there are few opportunities for employment and where there is virtually no existing private sector economy. For our shareholders, Red Dog means approximately 400 year-round jobs. These jobs and the economic survival of our people are what is at stake.

After the basic decision to proceed with the project was made, the specific decisions regarding access were made, but only after extensive planning and only after several million dollars was spent by the developer for the completion of environmental studies to satisfy everyone, but in the first instance NANA, that the best alternatives for locating the port and the road for the project had been found.

The mine site is situated 55 miles inland from the coast and the village of Kivalina and 40 miles north of the village of Noatak. Access from the mine site is to be obtained by building a road approximately 57 miles to a port located 20 miles south of the village of Kivalina. To do this with the least effect on the land and on fish, water and wildlife resources is to establish a route which would begin on NANA land at the Red Dog deposits, cross state land, cross 15 miles of lands within the Monument that would be conveyed to NANA under the proposed land exchange, and end on lands owned by NANA at the coast.

The decision to locate the port at a point south of the village of Kivalina and to locate the road on the route I have described was not lightly made. It was reached only after a nine-member Subsistence Committee, composed of our village elders who are our most experienced subsistence users, looked closely at

all of the land involved and all of the alternatives, and spent a long time talking among themselves, with us, and with the village people of Kivalina and Noatak.

We believe there is general agreement outside of our region as well that the impacts of a road north of the Monument boundary would be much higher than our preferred route. A northerly route would cross country of much greater value for fish and game and would disturb sensitive wetlands. The impact on subsistence -- and therefore, our people -- would be far worse.

NANA and its shareholders join the State of Alaska, the National Park Service, the Environmental Protection Agency, the National Audubon Society and the National Parks Conservation Association in opposition to the northern route and in our preference for a single transportation system (one road and one port) to serve the Red Dog mineral development and any subsequent development. We believe that the land exchange results in better protection for the environment, for subsistence, and, by virtue of the lands we are giving up, for the Monument.

I hope the Committee will understand that the decisions relating to the Red Dog project, which is so important to the survival of NANA, have been difficult, especially those involving how best to obtain access for the project. We view the proposed land exchange as the best way to obtain this access because the exchange adds more value to the national park system than is removed; allows us the use of land within our region for the optimum benefit of our shareholders; and provides for protection

of Cape Krusenstern Monument resources in a way we feel is equal to, if not better than, the Department of the Interior could achieve on its own.

NANA is of the opinion that pursuant to Sections 22(f) of the Settlement Act and Section 1302 of ANILCA the proposed exchange could be achieved administratively. However, the legality of such an administrative exchange is subject to judicial challenge and, therefore, to avoid the possibility of litigation and the interminable delays and extraordinary costs that are inherent in litigation, NANA seeks authorization and ratification of the exchange by Congress.

Also, although Cominco prepared and the Department of Interior reviewed, a Title XI application for a transportation right-of-way across the Monument, over the lands NANA would receive pursuant to the exchange, NANA considers Title XI an untested process without final regulations yet promulgated and believes there is greater certainty of securing the needed access now by enactment of S. 444.

Mr. Chairman, development of the Red Dog deposits is extremely important to NANA, its shareholders and the region. Development will provide an economic base for the region and jobs for the people, while at the same time that development has been designed to be compatible with the environment and the subsistence uses of the people of the NANA region. In addition, the arrangement with Cominco is such that those who work in the development will be able to maintain their ties to their culture and their historic way of life. It has been observed:

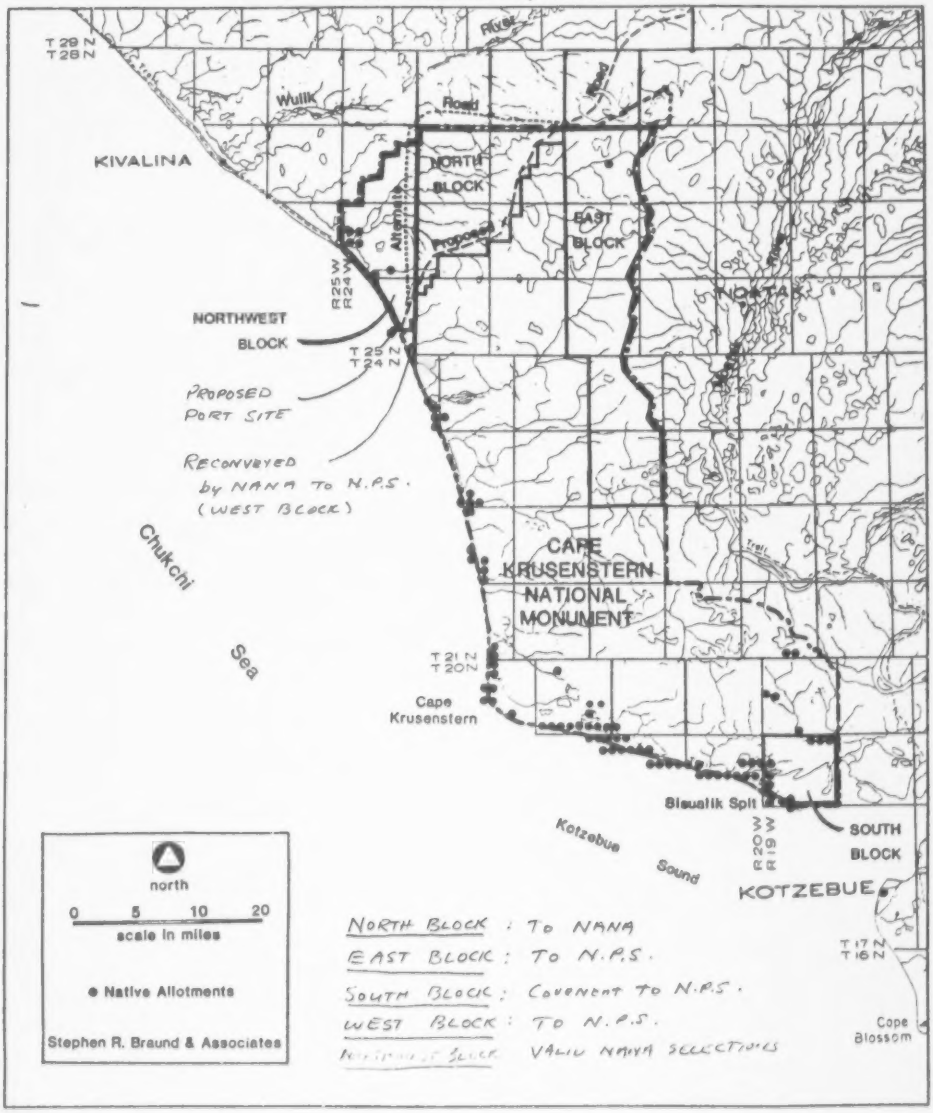
> "The agreement between NANA and Cominco for development of the Red Dog mine represents a melding of environmental, social, cultural and economic interests. The intent of the agreement is to allow development in a manner that provides for: a long-term economic base for the NANA region; jobs for NANA shareholders and other Alaskans; a source of lead/zinc concentrates and an economic return for Cominco; and minimal impacts on the region's social, historical, cultural and subsistence lifestyles."

NANA believes the development of Red Dog, in those terms, gives full meaning and effect to much of what the Settlement Act sought to achieve. But development requires access and we need assurances of such access now. Therefore, we request the Committee report S. 444 as promptly as possible with the recommendation that it be enacted.

Thank you.

RED DOG MINE

FIGURE 1 Areas Included in Proposed Land Trade



Senator MURKOWSKI. I wonder if you would repeat for the record the formula under 7(i) which you indicated as far as sharing with the other regional corporations?

Mr. HENSLEY. Seventy percent of all the proceeds, after certain deductions, is distributed to all 12 regional corporations. So in effect, NANA would retain approximately 36 percent of any proceeds from this project.

Senator MURKOWSKI. And obviously that's significant, because that covers a sharing with the entire Native population of Alaska, as represented by the 12 regional corporations.

Mr. HENSLEY. That's right. That's the extent of my testimony, Mr. Chairman, unless you have some questions.

Senator MURKOWSKI. Yes; I think what I'll do, Mr. Hensley, is save my questions for the conclusion of your panel, and I do have several questions.

Our next witness would be—well, it's at your own option, but either Mr. Argetsinger or Mr. Giegerich.

STATEMENT OF HENRY GIEGERICH, PRESIDENT, COMINCO ALASKA

Mr. GIEGERICH. Thank you, Mr. Chairman, my name is Henry Giegerich and I'm president of Cominco Alaska, and we are partners with the NANA Corp. in the Red Dog development. I'm here today to offer testimony on S. 444, the proposed land exchange between the NANA Regional Corp. and the U.S. Department of the Interior.

I prepared and submitted to the subcommittee extensive written testimony on this matter, which I request be included in the record of this hearing.

Senator MURKOWSKI. It will be so noted.

Mr. GIEGERICH. I will attempt this morning to summarize the major aspects of this testimony.

In 1982, NANA entered into an agreement with Cominco to develop the Red Dog zinc/lead/silver deposit in northwestern Alaska. This agreement called for Cominco to be the developer and operator of the Red Dog mine. The Red Dog mineral deposit is located 82 miles north of Kotzebue in northwestern Alaska. The mineral deposit represents one of the largest zine/lead/silver deposits in the world, and it consists of an average of 17 percent zinc, 5 percent lead, and 2.5 ounces per ton of silver, with known reserves of about 85 million tons. If fully developed, the deposit could produce more than 5 percent of the free world's zinc concentrate, and the proposed mine has a projected life of approximately 50 years.

Over the past 3 years, Cominco has attempted to determine the best configuration of the project from both an economic and environmental viewpoint. In the initial stages of our design effort, we have faced a number of constraints which we've taken into consideration in project planning.

First, the location of the deposit relative to potential transportation corridors and, more specifically, the lack of any existing methods of moving the metal concentrates.

Second, the arctic conditions which exist in the project area, and particularly the climactic conditions, the existence of permafrost soils, and the icing problems in the arctic rivers.

Third, the short ocean shipping season which lasts about 120 days.

Fourth, the sensitive environmental nature of the project area.

Fifth, the need to protect the subsistence resources of the local population.

With these in mind, Cominco began in 1982 to collect environmental baseline data and engineering data on the potential transportation methods to ship the metal concentrates. Our engineers reviewed potential options all the way from flying the concentrate out in 747's, to slurry pipelines, to conveyors, to hovercraft, to all-weather roads.

Our studies indicated that only an all-weather road would provide sufficient reliability and acceptable cost in arctic conditions to meet the needs of the project. Once the basic determination of the mode of transport was made, the siting of the transportation corridor became the next critical task. And with the committee's permission, I'll move over to the map here so I can show you some of the critical aspects.

Senator MURKOWSKI. Without objection. Just out of curiosity, what's the difference between an all-weather road and an all-weather railroad?

Mr. GIEGERICH. About 50 percent in capital cost.

Senator MURKOWSKI. Thank you.

Mr. GIEGERICH. You saw earlier, as Roger Contor of the National Park Service pointed out on the map he had, some of the critical aspects. This is the coastline and the village of Kivalina. This is the Red Dog mineral deposit here [indicating].

In our studies, we looked at three potential road routes.

Senator MURKOWSKI. I might just ask you, for the benefit of the reporter, I don't know whether you can hear——

Mr. GIEGERICH. Can I use this?

Senator MURKOWSKI. Yes, you should use a microphone.

Mr. GIEGERICH. All right.

Senator MURKOWSKI. I would ask any members of the press who want to see this presentation, to step forward behind the television camera, if they so desire.

Please proceed.

Mr. GIEGERICH. Thank you, Mr. Chairman.

Senator MURKOWSKI. Now go ahead and start again.

Mr. GIEGERICH. We looked at three potential transportation routes going from the coastline on the bottom of this map to the Red Dog mine. We looked at the northern route north of the Wulik-Kivalina River drainages; what we call the southern route, which is the route that comes down to the northwest corner of Cape Krusenstern Park, as Mr. Contor pointed out; and we looked at a third route going south from the Red Dog mine on a transportation corridor that had been allowed in the Alaska National Interest Land Conservation Act between Cape Krusenstern and the Noatak Park.

This route was the one that we looked at first, because it was what the people setting up the act had assumed would be the

major transportation route out of this area. However, it has two major constraints. One is, it goes through extremely sensitive environmental areas, and it's a total distance of 61 miles down to the mouth of the Noatak River. As I said, this is an extremely sensitive environmental area.

In addition to this, at the termination of the route there is significant difficulties in developing a port, because of very shallow water at the mouth of the Noatak River and inland. So there's no suitable place to develop a port for ocean-going vessels.

In view of these problems—the length, the environmental aspects, and the lack of any deep water at all it was considered that this corridor was not feasible. Therefore, we focused our further investigations on these other two routes, the northern route and the southern route in the Wulik River Drainage.

Now I'm going to use a set of overlays to show the significant aspects of the route through this area. What these maps will show are the environmental constraints that we dealt with in looking at these routes.

First of all, we look at the wildlife resources. Again, this is the northern route up here [indicating], the southern route through Cape Krusenstern, and the Red Dog mineral deposit up here. What we are showing here is, in this area, is the main caribou area in the Wulik River drainage. Now of course the caribou in their migration move through this whole area, but this is the main feeding area because the snow tends to blow clear in this area, and the food for the caribou is more accessible.

In addition to this, there is moose range along the main rivers, along the Wulik and the Kivalina Rivers. Down south in the park itself there is musk ox range. A few small areas for bear, the grizzly, and some along the southern route we've identified some peregrine falcon and golden eagle nests, and on the northern route even more peregrine falcon and golden eagle nests. I think that about covers that one.

The next item we looked at was wetlands. Now technically this whole area is classed as wetlands according to the Corps of Engineers classification, but in effect the true wetlands are down at the mouth of the Wulik and Kivalina Rivers. And in any construction in the Arctic, as much as possible these should be avoided.

One of the key aspects of this area of Alaska is the fishing resource, and the Wulik and Kivalina Rivers are a resource for primarily salmon and Arctic char. This is probably the best char fishery in Alaska, which in effect probably means it's the best char fishery in the world. You can see the spawning and overwintering areas along these main rivers, particularly up at the headwaters of the Wulik River. As you can see, the northern route crosses quite a few of these sensitive spawning areas for both char and salmon.

The final aspect from the standpoint of the subsistence and hunting and fishing are the subsistence areas that have traditionally been used by the people living in the two closest villages, Kivalina on the coast, and Noatak south of the mine over here [indicating]. Offshore in this area is where the whale hunting starts, and this is where the people from Kivalina start their whale hunting, not too far from the terminus of the northern route.

Then there's caribou hunting areas all through here, again coincident with the area of the winter range of the caribou. In addition to that, there are areas where the people from Kivalina trap for fur-bearing animals. Down in Cape Krusenstern itself, of course, there's also some caribou hunting in the higher elevation.

And then finally, the engineering constraints. And as you can imagine in the Arctic, the main engineering constraints are along the rivers. The areas of floodplain, overflow ice which is a critical factor in design of bridges and water crossings along both of the main rivers. Down as you get closer to the coast, areas of what is called patterned ground, which is ice-rich soils which again must be avoided in any construction.

Steep hillsides, as there are south of the southern route here in the park itself, also must be avoided. If you look at this overall, you can see some of the key factors between the northern and the southern route. This is the northern route going through the environmentally sensitive areas, the hunting areas, the caribou areas with all these major stream crossings all along the route.

This is the southern route which tends to avoid most of these areas. The reason it does is the southern route is higher up on the hillsides away from most of the—obviously away from the fishing, because it's not in any of the drainage areas, but also away from the main subsistence areas for the animals.

Senator MURKOWSKI. Can you, one more time, identify where the southern route goes through the monument specifically, as opposed to the northern route? I don't know which one of those——

Mr. GIEGERICH. Here is the southern route along here, 54 miles from the Red Dog mine to the coast. Here is the boundary of the monument itself. The portion of the land exchange, the southern boundary of the land exchange, is just south of the southern route itself.

Senator MURKOWSKI. The northern route does not go through that?

Mr. GIEGERICH. The northern route goes north of the Wulik and Kivalina Rivers, crossing the headwaters of both of these rivers.

Senator MURKOWSKI. But it does not go through Krusenstern?

Mr. GIEGERICH. It does not go through Krusenstern, that's correct, Senator.

Senator MURKOWSKI. OK. So the exchange proposed on the southern route specifically is to take—do you have a map that shows the added area in the monument?

Mr. GIEGERICH. I believe this map here does.

Senator MURKOWSKI. The Park Service has got a map. I think it appropriate to identify the specifics of the exchange again.

Mr. GIEGERICH. I am undoubtedly less qualified to speak on this than the parks people, Mr. Chairman, but basically it's the green section in the upper lefthand corner of the park, which will be exchanged for these colored sections there and there [indicating].

The yellow section in the park is already part of the NANA selection.

[The prepared statement of Mr. Giegerich follows:]

Testimony

of

Henry Giegerich,

President of Cominco Alaska,

on S. 444

Submitted to the Subcommittee on

Public Lands, Reserved Waters and

Resource Conservation of the

Committee on Energy and

Natural Resources,

United States Senate

April 29, 1985

Good morning. My name is Henry Giegerich, and I am president of Cominco Alaska (Cominco). I appear before you this morning to present Cominco's views on S. 444, a bill introduced by Senators Murkowski and Stevens on February 7, 1985.

I. PROPOSED LAND EXCHANGE

On January 31, 1985, NANA Regional Corporation, Inc. (NANA), and the United States Department of the Interior executed an agreement which set forth the terms and conditions for land consolidation and an exchange of lands in the NANA Region. S. 444 would authorize and ratify the terms and conditions of this land consolidation and exchange, which is specifically subject to Congressional affirmation.

Under the terms of the proposed land exchange, NANA and the United States would exchange lands and interests in land in the NANA Region, including lands within the boundaries of Cape Krusenstern National Monument (Monument). NANA could then develop an access road from the coast of the Chukchi Sea to the Red Dog mineral deposit, which is located 47 miles inland on NANA lands. Cominco, as NANA's partner in the development of the Red Dog project, fully supports the proposed land exchange and S. 444.

II. THE RED DOG MINERAL PROSPECT

The Red Dog mineral deposit was identified in 1968 by Robert Baker, who noticed discoloration in the streams of the area while surveying the area from the air. The mineral deposit was named Red Dog after Baker's small mining company.

In 1973, the United States Geological Survey conducted a preliminary field investigation of the mineral resources in the area and concluded that the Red Dog deposit might have economic value. In September 1975, the United States Bureau of Mines issued a press release outlinimg the findings of its work in that area. This press release spurred considerable interest from the mining industry. In the years that followed, two major exploration efforts, one by Cominco and the other by GCO Minerals Company, resulted in the staking of some 18,000 claims in the area to the west and southwest of the Red Dog prospect.

The Red Dog mineral deposit is located 82 miles north of Kotzebue in northwestern Alaska. The mineral prospect, located just west of Deadlock Mountain in the DeLong Mountains of the Western Brooks Range, represents one of the largest lead/zinc/silver deposits in the world. The deposit, which consists of an average of 17.1 percent zinc, 5.6 percent lead and 2.4 ounces per ton of silver, has known reserves of 85 million tons. If fully developed, the deposit could produce approximately 5 percent of the Free World's zinc concentrate. The proposed mine has a projected life of approximately 50 years.

In 1975 and 1976, NANA selected the lands in the Red Dog area under the provisions of the Alaska Native Claims Settlement Act (ANCSA). In the Alaska National Interest Lands Conservation Act (ANILCA), the Congress confirmed these

selections. NANA now has title to these lands as well as lands along the coast of the Chukchi Sea that may be used as a port site for the Red Dog project.

Having received a right to the Red Dog area, NANA sought a partner to aid in the development of the project. After discussing the project with a number of mining companies, NANA selected Cominco as its partner. In the spring of 1982, a letter of agreement was signed which outlined the relationship between Cominco and NANA. Under that agreement, Cominco would lease the property from NANA and act as operator of the project. Cominco would be responsible for permit acquisition, design, construction, financing and operation of the mine. NANA would receive a net profits royalty from the project.

III. THE RED DOG MINE PROJECT

A. Cominco

Cominco is a division of a major international corporation with substantial mineral interests and development projects throughout North America and the world. The company has been active in the mining business for more than 75 years, and is the world's largest producer of zinc metal. The company has had substantial experience in mining under arctic conditions.

B. The Red Dog Mine

Cominco and NANA propose to establish a mine site on Red Dog Creek, just west of Deadlock Mountain. The project would consist of an open pit lead-zinc mine and mill, with interconnecting transportation facilities and shipping facilities located on the coast. The mine, mill, tailings pond, housing and water supply facilities and port complex would all be located on private lands owned by NANA.

C. The Proposed Transportation System

The proposed access road, to be constructed between the Red Dog mine site and the coast of the Chukchi Sea, would cross State lands and lands obtained by NANA through the proposed land exchange. This road would be 56.2 miles long, and would require the construction of one major bridge, four minor bridges and approximately 182 culverts. As proposed by Cominco, the road would be constructed of gravel extracted from the vicinity of the right-of-way. The top surface of the road would be 30 feet in width, and the roadbed would average 6.5 feet in thickness to prevent thermal degradation of the permafrost.

D. Selection of the Preferred Transportation System

The proposed transportation system was selected by Cominco and NANA from among a range of alternative transportation routes and alternative modes of access. The impacts of each alternative was carefully analyzed and

considered, until at last a preferred alternative mode of access and route was developed.

In November 1983, Cominco submitted an application for a right-of-way across the Monument pursuant to the provisions of Title XI of ANILCA. This application was submitted to the three Federal agencies with permitting jurisdiction over the proposed transportation system -- the Department of the Interior (DOI), the Environmental Protection Agency (EPA), and the Army Corps of Engineers. The DOI and the EPA prepared a joint, detailed Environmental Impact Statement (EIS) which analyzed the alternative transportation systems. Throughout the development of this EIS, the Federal agencies provided extensive opportunity to members of the public, interested groups, the Alaska Land Use Council, and affected Federal, State, and local agencies to comment on all significant environmental issues presented by the Cominco application and to review the Federal agency findings and conclusions.

IV. FINDINGS OF THE ENVIRONMENTAL IMPACT STATEMENT

The Environmental Impact Statement for the Red Dog project presented a comprehensive overview of the manner in which the preferred transportation system, including the access corridor, was identified. In order to ensure that the Subcommittee understands fully the extensive process undertaken by Cominco and the Federal agencies to identify the environmentally preferred transportation system, I have set forth below in

considerable detail a description of both the process of development and the findings of the Final Environmental Impact Statement.

A. Preparation of the Environmental Impact Statement

The EIS for the Red Dog project was prepared by the EPA and the DOI based upon the criteria established in Title XI of ANILCA and the guidelines established by the Council on Environmental Quality for the implementation of the National Environmental Policy Act. The EIS is a comprehensive review of each aspect of the Red Dog mine project.

B. The Scoping Process

During the initial scoping process, twelve major issues of concern were identified by the public and Federal, State and local agencies with respect to the development of the Red Dog mine project. Throughout the EIS process, the impacts associated with each option and alternative were measured against these issues of concern. These issues of concern included:

(1) Maintenance of water quality and quantity;

(2) Maintenance of the quality and quantity of fishery habitat and minimization of disruption of fish movements;

(3) Maintenance of the quality and quantity of wildlife habitat, and the minimization of impacts on wildlife;

(4) Minimization of impacts on coastal geologic processes;

(5) Minimization of impacts on marine life;

(6) Protection of subsistence resources and their use;

(7) Protection of cultural resources;

(8) Minimization of the social, cultural and economic impacts on residents of the region;

(9) Design of project components from a regional use prospective;

(10) Minimization of impacts on Cape Krusenstern National Monument;

(11) Technical feasibility; and

(12) Economic feasibility.

To address these twelve issues of concern, the scoping process identified a total of 30 options and seven sub-options for the eleven project components. The project components included all aspects of the project, from mine and mill site location through location of the transportation corridor and type of transportation system to location of the port site and type of transfer facility. The options and sub-options that were developed covered the widest possible range of potential alternatives for each component.

To determine reasonable options for further consideration, a two-step options screening process was conducted. In the first step, all options were reviewed to eliminate from subsequent consideration those options which were clearly unreasonable or infeasible, primarily for environmental or

technical reasons. This process resulted in the elimination of eleven options and one sub-option.

In the second step, the remaining options were individually evaluated in detail from the perspective of each resource or technical discipline (e.g., water quality, wildlife, subsistence, technical feasibility). For each discipline, a specific set of "options screening criteria" was used to identify potential impacts for each option. Each option was then compared to the other options for that component to identify the best option (i.e., the one with the least potential impacts for that component).

Following this options screening process, the preferred option for eight of the eleven components was relatively easy to identify. However, three components (transportation corridor location, port site location, and marine transfer facility) had two options which adequately addressed one or more of the twelve issues of concern. These options were therefore retained and, with the other eight options, were used to form the alternatives to be considered further.

The EIS process considered all of the components of the entire Red Dog mine project. For purposes of the transportation system under consideration, only those components relating to the transportation system, including the type of transportation system, the corridor location, and the port site location, are directly relevant.

In reviewing the type of transportation system to be utilized, the screening process initially identified four major modes of transportation that might be available to Cominco to transport concentrate from the mine to the port site. These options included a slurry pipeline, hovercraft, a railroad and a road. Furthermore, two sub-options for the road option, a winter-only road and a year-round road, were considered. However, after the initial options screening process and subsequent examination, only a year-round road was considered a realistic alternative for further consideration.

In order to determine the preferred corridor location, seven different route options were considered. After the initial options screening process, two major options for the corridor location remained under active consideration. These routes went to different port sites, and therefore several port sites, each associated with a particular route, remained at that point in the process for further examination.

C. Review of the Noatak Corridor

In view of the action of the Congress in ANILCA in excluding lands in the lower Noatak watershed from designation within any conservation system unit in order to ensure the availability of an open transportation corridor from the Red Dog mine, further explanation of the conclusion that the Noatak corridor was not a viable alternative is warranted. Based upon the initial review of this option, the Noatak corridor was

found to have significant environmental values that would be adversely impacted by development of a transportation corridor along this route. This corridor was eliminated during the initial options screening process because of significant potential problems associated with both the route and the available port sites.

A transportation system through the Noatak corridor would cross extensive lowland areas containing permafrost and wetlands would present substantial geotechnical problems for road construction. In addition, the many stream crossings required would pose a significant threat to water quality and fisheries resources in the Noatak River system. The Noatak River is a major anadromous stream that supports important runs of Arctic char and chum salmon, as well as numerous other migratory and non-migratory fish species. Furthermore, the Noatak Valley provides important habitat to a wide variety of raptors (including the endangered peregrine falcon and the rough-legged hawk), waterfowl (including the whistling swan), small mammals (including beaver, lynx and mink) and large mammals (including caribou, moose and grizzly bear). Construction and operation of a transportation system through this valley would significantly impact these biological resources as well as disrupt critical subsistence activities.

In addition to major geotechnical problems and impacts to biological resources and subsistence, another problem with the

Noatak corridor would involve the need to barge concentrates down the river to a transshipment site in Hotham Inlet or Kotzebue Sound. Travel time from a barge loading and unloading facility on the Noatak River to bulk carriers anchored in 35 feet of water would average about 20 hours. The available barging season would be less than four months if water levels are sufficient. (Water levels have not been sufficient in the past few years, and barge travel has been limited to only the period directly following spring break-up.) The cost of operating and maintaining a large barge fleet for a limited shipping season would adversely impact the economic feasibility of this option.

In view of the severe environmental impacts associated with development of a transportation system through the Noatak corridor and the significant economic and technical problems with this route, this option was not considered to be feasible. Therefore, this option was dropped from further consideration.

D. Identification of Final Alternatives

In identifying the alternatives to be considered in detail for further comparison, two alternative transportation corridor options were identified from among the seven routes initially studied. In alternative one, transportation would be by year-round road along the southern corridor to a port site at VABM 28 on private land owned by NANA within the boundaries of Cape Krusenstern National Monument. Alternative two would

be a year-round road along a northern transportation corridor to a port site at Tugak Lagoon. Alternative two would completely avoid the Monument.

In developing these two alternatives, an explicit decision was made that a transportation route that completely avoided Cape Krusenstern would be retained and incorporated as a formal alternative. By retaining a northern corridor route, the EIS process ensured that full consideration and opportunity for formal public review would be given to a non-Monument corridor in the EIS process.

To ensure this result, during the analysis of the sub-options for the northern and southern corridors, the alternative routes through each corridor were compared only among themselves (i.e., the GCO route and the Asikpak route were compared only against each other for the northern corridor, and the Western, Omikviorok and Kruz routes were compared only among themselves for the southern corridor). This process guaranteed that a non-Monument corridor would be included as an alternative, and that the environmentally and technically best routes for each of the northern and southern corridors would be considered in the later comparison of alternatives.

Since the northern corridor routes went to separate port sites, each route and its port site had to be considered in combination for comparison with the other. The comparison of

the Asikpak route/Tugak Lagoon combination against the GCO route/Singoalik Lagoon combination did not indicate great differences between the two routes. However, the Asikpak route/Tugak Lagoon demonstrated an overall lower potential for adverse impacts, and that route was therefore tentatively selected as the best combination for the northern corridor.

The GCO route/Singoalik Lagoon combination was then reviewed against the 12 issues of concern identified in the EIS scoping process to determine whether that route addressed one or more of the issues in a significantly more favorable manner than did the Asikpak route/Tugak Lagoon combination. As it did not, the Asikpak route/Tugak Lagoon combination was selected as the preferred route for the northern transportation corridor.

In review of the southern corridor options, the Kruz route clearly had the lowest overall relative level of potential impacts. The two other alternative routes in the southern corridor had more significant adverse impacts than the Kruz route on almost every standard of comparison, including impacts on fish and wildlife resources, water quality, vegetation, subsistence uses, and technical and economic feasiblity. The Kruz route was therefore selected as the preferred route for the southern corridor.

As a result of the analysis described above, two transportation options remained: the Asikpak route to Tugak Lagoon for the northern corridor, and the Kruz route to VABM 28

for the southern corridor. These two options were then incorporated into the full project alternatives. Once incorporated into alternatives, selection of the final transportation corridor became part of the overall process for selecting the preferred alternative.

In addition to the two alternative routes, the EIS considered a no action alternative. The no action alternative was defined as an action which precluded development of the Red Dog mine project. The no action alternative could result from denial of at least one, or perhaps more, of the Federal or State permits necessary for project development. Or, it could result from a decision by the project sponsors not to undertake development of the project.

E. Identification of the Preferred Alternative in the EIS

The impacts of each of the corridor alternatives were then compared through an evaluation of the twelve issues of concern criteria identified during the scoping process. The quantified impacts of each alternative were then compared for identification of the preferred alternative. Through this process, the co-lead agencies, the EPA and the DOI, identified the Kruz route of the southern corridor as the environmentally preferred alternative.

Based on their review, the co-lead agencies concluded that the Kruz route would have less impact than the Asikpak route on the physical environment of the region, would have

substantially less impact on traditional subsistence activities, and would be superior from a technical and economic perspective. It was recognized, however, that this route would have a greater impact on the Monument because it would pass through the northwest corner of the Monument. Notwithstanding the impact of the Kruz route on the Monument, however, the agencies still selected the Kruz route as the preferred alternative because of the substantially greater adverse impacts that the Asikpak route would have on the environment and on subsistence uses and the substantially greater technical difficulties and costs associated with the construction and operation of the Asikpak route.

Included as Appendix A to this testimony is a chart based upon the Final EIS that compares some of the most important features of these two routes. From this chart, it is clear that the Kruz route is preferable in every significant category.

Also included as an appendix is a map of the area covered by the transportation system alternatives. Five overlays indicate the various environmental constraints confronted in designing an access corridor and clearly demonstrate that the preferred alternative along the Kruz route avoids virtually all of the areas of concern.

F. Environmental Consequences of the Preferred Alternative

Construction of a road along the Kruz route of the southern transportation corridor from the mine area through Cape Krusenstern National Monument to the coast at VABM 28 would directly disturb a total of approximately 487 acres of vegetation. Several nest sites of birds of prey, including three nest sites of the endangered peregrine falcon, have been reported along the southern corridor. The peregrine nests would not be significantly impacted because the road alignment has been altered to provide a buffer zone around the nests.

The corridor passes through presently used caribou winter range. Indirect habitat loss for caribou would likely be significant only on a local basis, but could, as other developments occurred in the region, be significant on a greater than local basis if changes to historical caribou migrations occur.

Impacts on hydrology and water quality would be, insignificant as proper methods of road construction and drainage control would be followed. The road would cross eleven streams which are known to contain fish, but no significant impacts to fish movements or spawning and/or rearing habitat is expected.

To construct and maintain the proposed road, a significant volume of gravel resources will have to be utilized. In the final EIS, seven borrow sites were identified within the

Monument from which road construction material may be obtained. The potential environmental impacts of establishing these borrow sites would not be significant. The majority of the proposed sites would be located in upland acres which do not contain important wildlife habitat. None of the sites would be adjacent to stream courses, and, therefore, the effect on water quality and fisheries would be insignificant. Finally, development and operation of these borrow sites would be subject to the proposed stipulations, including strict requirements for site reclamation.

Construction of the southern corridor could impact twelve archeological sites, six of which are within the Monument. All reasonable measures would be taken to avoid these sites by realigning the road. Recovery operations would be conducted under terms of a Memorandum of Agreement to preserve the site data and material that could not be preserved in place.

Construction of the port site would directly disturb about 50 acres of vegetation. No terrestrial wildlife species would be significantly impacted on greater than a local basis. Port Lagoon would be breached to shelter barges during construction and operation, but impacts to fish and invertebrate species would be insignificant. Construction of the transfer facility would also have minimal impact on anadromous and marine fish, as well as on marine birds and mammals.

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Impacts from the alteration of sediment transport patterns by the port site causeway would be insignificant on more than a local basis. Port site construction could increase sediment loading for a short period, but long-term impacts on marine water quality would be insignificant. Potential impacts from spills of fuel, concentrates or mill reagents would be expected to be insignificant on greater than a local basis.

The remains of the historical reindeer herding facility at the VABM 28 port site could be directly or indirectly impacted by the port facilities. Recovery and recording operations would be developed if the site could not be avoided by redesigning the facility.

Marine mammal hunting is generally confined to the winter and spring months when the port would be ice-bound, so ship traffic from the port should not significantly disrupt subsistence harvest activities. Port construction and noise from year-round activities aboard the offshore transfer facility would likely displace some marine mammals from the immediate area.

Based on these findings, the EIS concluded that the proposed transportation system along the preferred alternative route would not have significant adverse impacts on the environment of the area. This conclusion is well substantiated by the record in this matter.

V. CONCLUSIONS OF OTHER FEDERALLY-MANDATED REVIEW PROCESSES

A. Effects on Subsistence

Section 810 of ANILCA requires that, in determining whether to permit the use of public land under his jurisdiction, an agency head or his designee must evaluate the effect of such action on subsistence uses and needs, the availability of other lands for the purposes sought to be achieved, and other alternatives which would reduce or eliminate the use of public lands needed for subsistence purposes. No use of public lands which would significantly restrict subsistence uses shall be effected until certain procedural requirements are met.

Pursuant to the provisions of section 810, the Alaska Regional Director of the National Park Service reviewed, in the context of Cominco's Title XI application, the potential effects of the total Red Dog project, and specifically the proposed transportation system, on subsistence resources and access by subsistence users. In conducting this review, the Alaska Regional Director considered the existing baseline data, the project description and the potential impacts on subsistence fish and wildlife populations, access by subsistence users, and potential increases in competition for subsistence resources. As set forth on pages V-72 through V-74 and pages V-98 through V-104 of the Final EIS, this evaluation could not forecast any reasonable foreseeable events resulting

from the Red Dog mine project, including the proposed transportation system through the southern road corridor, that would entail a significant restriction of subsistence uses.

B. Impacts on Cultural and Historic Sites

Section 106 of the National Historic Preservation Act requires that Federal actions should avoid potential impacts on cultural and historic sites. This requirement is particularly relevant in this case, since the proposed transportation corridor lies within the Cape Krusenstern Archaelogical District, a National Historic Landmark, and would cross Cape Krusenstern National Monument.

In determining the proposed route for the southern corridor, a total of thirteen archeological sites were identified along the corridor, including six sites within the Monument. To the extent possible, these sites would be avoided through realignment of the proposed route. Where particular sites cannot be avoided, a data recovery plan would be developed in consultation with the Alaska State Historic Preservation Officer. In view of the limitations on Cominco's activities in the proposed transportation corridor, including specific measures designed to avoid sites or mitigate impact on sites by data collection, both the Alaska State Historic Preservation Officer and the Advisory Council on Historic Preservation concluded that the proposed transportation system would have no adverse effects on cultural and historic sites.

C. Impacts on the Coastal Zone

Section 307 of the Coastal Zone Management Act (CZMA) requires that an applicant for a Federal permit conduct its activities affecting lands in the Alaska coastal zone in a manner consistent with the Alaska Coastal Management Program. The proposed transportation corridor and port site may affect lands in the coastal zone, and therefore fall under the jurisdiction of the Alaska Coastal Management Program.

Pursuant to the provisions of section 307 of the CZMA, the State of Alaska conducted a 60-day review of the proposed Red Dog mine project. After this review, the State concluded that the proposed project was consistent with the State program.

VI. CONCLUSION

All of the studies that have been undertaken on this subject have concluded that the proposed transportation system will not result in any significant adverse impacts on the environment of the area. The proposed transportation system is the most reasonable and responsible method of transporting concentrate from the Red Dog mineral deposit to the coast of the Chukchi Sea. In the absence of a transportation system, the entire Red Dog mine project would not be viable. The proposed system of transportation is the only available method of moving concentrate from the mine to the coast.

If the proposed transportation system is not approved, the Red Dog mine project cannot proceed. The Red Dog mineral

prospect represents one of the major zinc/lead/silver deposits in the United States. The mine would provide a significant portion of the domestic supply of these important minerals for a period of 50 years. Without an adequate transportation corridor, however, this important mineral deposit will necessarily remain undeveloped.

The proposed legislation will confirm a land exchange between NANA and the United States. When this land exchange is ratified, NANA will obtain the only Federal lands along the proposed right-of-way. NANA and the State of Alaska will then own all of the lands along the preferred transportation corridor between the mine and the proposed port site, allowing timely development of the Red Dog mine and the proposed access road.

In order to ensure development of this mineral prospect, and to assure the long-term economic well-being of NANA and its shareholders, Cominco fully supports the proposed legislation and land exchange and urges adoption of S. 444 by the Congress as soon as possible.

Thank you for this opportunity to offer testimony on this important legislation. I will be happy to answer any questions that you may have.

Appendix A

COMPARISON OF MAJOR TRANSPORTATION CORRIDORS
FOR THE RED DOG PROJECT

Presented below is a factual comparison of the Northern and Southern transportation corridors from the Red Dog mining project to proposed port sites on the Chukchi Sea. This information was summarized from the Final Environmental Impact Statement (FEIS) prepared jointly by the U.S. Environmental Protection Agency and the Department of the Interior.

The FEIS considered two major transportation corridors from the proposed Red Dog mining project. The Northern Corridor would connect the mine site to a proposed port site north of the Wulik River and the village of Kivilina. The Southern Route would connect the mine site to a proposed port site located south of the Wulik River and Kivilina.

	Southern Route	Northern Route
Length of road	56.2 miles	73.1 miles
Total wetland acres disturbed	487 acres	634 acres
Total stream crossings	187	313
Major river crossings	1	6
Icing locations at culverts	14	24
Cultural resource sites within corridor	13	23
Number of known critical migratory habitat areas for char/salmon within one kilometer of road route	0	4
Number of peregrine falcon and golden eagle nests near corridor	3	6
Engineering/construction difficulties	19% moderate to difficult to construct	65% moderate to difficult to construct
Occurrence of bowhead whales near port site	Seldom	Moderate
Potential impact on subsistence resources	Limited	Great
Construction cost	$74.7 million	$125.7 million
Annual operating costs	$ 2.6 million	$ 3.3 million

The Northern Route would have a greater environmental impact, be more difficult to construct and more costly than the Southern Transportation Corridor.

Senator MURKOWSKI. OK; there seems to be a question as to whether all the pink sections will be included, or just a part of them.

Mr. GIEGERICH. Yes, Mr. Contor says all of them.

Senator MURKOWSKI. The pink section from the standpoint of environmental concerns is advantageous because it adds specifically what?

Mr. CONTOR. Mr. Chairman, I will correct the statement to one extent. The pink section in the lower corner will remain under the ownership of NANA. We will obtain what we would characterize as conservation easements there, in that any surface-disturbing activities would first be reviewed by the National Park Service so that we could make an effort to mitigate any damage to cultural resources.

The remainder of the pink in the northeast and in the northwest would all be in Federal ownership after the exchange is consummated. And what we would——

Senator MURKOWSKI. And why is its uniqueness from the standpoint of any of the other areas that are already Federal ownership advantageous?

Mr. CONTOR. Because all of that pink land on the east is the headwaters of three of the four major river drainages in the national monument, which feed into the coast and contribute to the beach development of Cape Krusenstern itself, which is the heel of the boot. That's the most significant archeological area in all of northwest Alaska, and it is that way because of the beach development which occurs and has been occurring for about 10,000 years.

So by giving all of the four major drainages total Federal ownership protection, obviously the purpose of the monument would be better served. Also, Mr. Stenmark reminds me that the lands to the east to be added to the Federal ownership are part of the Mulgrave Hills higher range, which is better winter range for caribou during winters of heavy snow, and it's principal musk ox range, too. We do have a herd of musk ox which principally uses that land to the north and to the east.

Senator MURKOWSKI. So from the standpoint of the National Park Service, this proposal is more advantageous than an alternate northern route, even though the northern route would not be through the Cape Krusenstern National Monument, simply because, I gather, the unique advantages of the area to be gained in pink to the Park System?

Mr. CONTOR. Yes, Senator. This is a situation where the land exchange is highly desirable on its own merits, irrespective of the road, and the monument will be better served as a result of the land exchange.

Senator MURKOWSKI. Thank you. Is there further testimony from the panel? Mr. Argetsinger, we've not heard from you.

Mr. ARGETSINGER. No; Mr. Chairman.

Senator MURKOWSKI. You do not intend to make a statement.

I have some questions for the panel. I note on page 3 of the testimony which was to be submitted in the name of Mr. Schaeffer, there's a statement:

As a result, there is a great deal of support for the exchange in Alaska including that of Governor Sheffield and the entire Alaska Land Use Council, which includes

the Alaska Regional Directors of the Park Service, Fish and Wildlife Service, and the Bureau of Land Management.

I wonder, Mr. Hensley, if you could acknowledge the validity of that statement, or if you would care to expand on it in any way?

Mr. HENSLEY. I would prefer that Mr. Argetsinger do that.

Senator MURKOWSKI. Is that your contention that that is the case?

Mr. HENSLEY. That's right.

Mr. ARGETSINGER. Mr. Chairman, would you like further comment on that statement? I can——

Senator MURKOWSKI. If you'd care to enlighten us further, you may proceed.

Mr. ARGETSINGER. We did take the exchange proposal to the entire Alaska Land Use Council and had it reviewed by the regional directors of the Federal agencies as well as the Cabinet members that represent the State agencies on the council, and they did formally endorse it.

Senator MURKOWSKI. Has a statement of the recommendation of the Alaska Land Use Council been presented to the Energy Committee?

Mr. ARGETSINGER. I believe, Mr. Chairman, it's part of the record being provided by the administration. If it's not, we'll see that it is.

Senator MURKOWSKI. Well, I've just checked with our counsel and we don't recall having seen it, so I would suggest that the record will be open for, what, 1 week, 2 weeks, and that if you're so inclined you send it in.

I wonder, Mr. Hensley, if you could tell us what process your people went through to get a concensus of opinion that this development in a region which had been traditionally subsistence lifestyle, come up with the recommendation that they wanted economic development such as would be associated with the mine? How did you reach a concensus that there is a desirable route associated with the access and transportation of the minerals?

Mr. HENSLEY. Well, Mr. Chairman, we incorporated NANA in 1972, although it existed as an association starting in 1966; and in the earliest years of the formation of NANA as a corporate entity, we have a policy of going to every village every year prior to our annual meetings.

And so during the early years of NANA, there was very little inclination to do any mining. We were aware of the activity in the area insofar as mining claims are concerned, and basically our approach was to suggest that there were two things we could do. Either we could oppose the development of any mining activity for as long as we could and as long as our money would hold out and litigate every move that was made in developing mining; or we could try to work with them, but at the same time try to protect the people and the environment.

And after about 6 or 7 years, in effect as a consequence of additional economic pressures that were on the people, they finally began to see some positive aspects to the development of a mine. And what we did was, we visited all the villages, and then subsequently had a proxy. Every year we sent out our proxies to our shareholders just under 5,000—well, there's under 5,000 people. But the overwhelming response was basically for us to try to pro-

ceed with the development of a mine, and then at the same time try to protect the people and the environment.

So we worked very closely with the people in our area.

Senator MURKOWSKI. How did you address the reality that the transition from subsistence lifestyle and the evolution that has occurred since that time into a question of whether or not many of your people would want to work in the mines, as opposed to the other alternatives? It's a pretty significant step in going from summer fishing and other incidental subsistence lifestyles to working 8 hours a day in a mine.

Mr. HENSLEY. Well, as a matter of fact, things don't change quite that suddenly, in the sense that our people have always traded for the things that they didn't have, and in more modern times because of the need for easing our ability to survive up there, we've gone after the Western technologies. And, of course, that takes money. And in the 1940's, a lot of the people in our area went over to the gold mines in the Nome area, as well as in the Candle area, and, of course, they also did longshoring in the summertime, and in later years firefighting, and also down into the Bristol Bay and Kodiak areas to work in the canneries.

So we have also in the last 10 or 15 years that we've had some oil development, we've also participated in some of that activity away from our region. So right now we do have people that more or less rotate between their village and the Prudhoe Bay area. So what's occurred is that modern technology and better housing—well, more expensive housing and more heating requirements and electricity requirements and that sort of thing, has just created a great pressure for additional income, and hence the people have an interest in employment.

That's not to say that they're not interested in subsistence, because everybody still continues to hunt and fish and trap. And our plan is to have people stay in the village, or live in the village but commute to the mine so that there won't be further disruption in their life.

Senator MURKOWSKI. I wonder if you could indicate why there seems to be a difference of opinion among the witnesses? I've had an opportunity to read their testimony, from the environmental community, with regard to the two routes, the northern and southern route, inasmuch as the final environmental impact study prepared jointly by the U.S. Environmental Protection Agency and the Department of the Interior favors one route?

Mr. HENSLEY. Well, I suppose it's their perception that the sanctity of the monuments probably should not be affected. And I think from the standpoint of our people, and it's specifically the people of Kivalina—you know, that southern route is much more preferable from the standpoint of subsistence—I suppose environmentalists look primarily at the animal life, and we have to look at the reality of the needs of our people, as well as that of the animal life.

Well, it's not an easy area, Senator. Our whole region has always barely survived. I mean, it's a very harsh country. You have to really scrape for survival if you're going to live on subsistence. And even in the development of a mine, it's not easy. I mean, you know, the water is very shallow. The construction requirements are going to be quite severe. I would like to look at the whole project from

the standpoint of the environmentalist, as well, because I realize that just because there are economic opportunities doesn't mean that people will be better people. They'll have a better chance to survive physically and materially.

Senator MURKOWSKI. The question of a giveaway has been generalized in some statement made by those in opposition to the proposed exchange. And evidently some of the testimony that we had here indicates that the exchange may not be as beneficial to the United States as it might appear from the standpoint of simply the relationship of more land in the exchange by NANA or with the permission of NANA. And I'm wondering if you could enlighten us a little bit with regard to the contention that the land offered to be exchanged by NANA is of low priority to NANA, of little value, and the contention that if there were no exchange, would NANA ever propose the exchange on the merits other than those associated with the access route?

Mr. HENSLEY. Well, Mr. Chairman, I guess we could argue forever the question of value, and if you're looking at dollars I think that would be—you know, it's hard to argue. It depends on what you're looking for. Frankly, we have over 900,000 acres of land that we have yet to receive, and we continually re-evaluate our selection priorities, and not all of that land is low priority. There would be some of that land we might have selected.

But we do feel that the—well, we do feel that the Park Service did, from our point of view anyway, too good a job of negotiating for their interests, and it took quite awhile. I think that the Park Service did a very good job for the United States, and they are getting a significant amount of consequential land from the standpoint of archaeology and history and of the animal life there.

Senator MURKOWSKI. When and if this bill passes, you would then have access to the mine from the sea. What is the projected time in which construction would begin and the mine go into production?

Mr. HENSLEY. Well, Mr. Chairman, we are working on several fronts on this project. One involves the North Slope Burrough. The other involves of course the State and the financing, and of course this land exchange. And the plan is to proceed with construction this coming year, and the mine to become operable in 1989.

Senator MURKOWSKI. Is that dependent on the financing commitments as being proposed to the State of Alaska? Or is that irregardless——

Mr. HENSLEY. Well, on the timetable, Mr. Chairman, yes, the timetable involves the financing that we are working on in conjunction with the State.

Senator MURKOWSKI. And the status of that is that it is pending?

Mr. HENSLEY. Well, the legislature ends I think May 13.

Senator MURKOWSKI. So it'll be resolved by May 13, or it will be up next year? Is that right?

Mr. HENSLEY. Well, I just function from day to day.

Senator MURKOWSKI. Well, I guess that's what we all do.

I have a couple of questions for Mr. Henry Giegerich. I'm sorry. I'm not doing well with your name.

Mr. GIEGERICH. "Gigrick."

Senator MURKOWSKI. I'm curious to know about a letter that has been received from Noranda, Mr. Jeffrey G. Snow, dated April 26, and you may have knowledge of this letter. It says:

> Noranda Exploration, Inc., has recently entered into an agreement with GCO Minerals to explore and develop the LIK zinc/lead/silver deposit located approximately 15 miles north of the Red Dog deposit. Accordingly, we were very interested in current activities relating to the selection of an access route * * *. We understand that a number of alternative routes have been studied * * *. We further understand that each of these entities has concluded that a southern route to a port site south of the Wulik River is the environmentally and economically preferred alternative. Noranda believes that this southern route would be environmentally more sound and less costly * * *. If a southern route is approved, Noranda would use that route for access to the DeLong Mountains. We are not considering an alternative route.

Is this road like a common carrier in the sense that you can negotiate with anybody to use it? Or is it a private road only for the Red Dog development?

Mr. GIEGERICH. No; our proposal to the State of Alaska is that the State of Alaska will own the road, and that it will be accessible for any developer in the region. Of course that developer will have to work out their own financial arrangements with the State of Alaska, as we are doing, as well.

Senator MURKOWSKI. When you say "financial arrangements," the implication is there would be some type of a tariff or something to haul over the road, is there?

Mr. GIEGERICH. Yes; we're proposing a toll fee. We have proposed a toll fee to the State of Alaska on the basis that they finance the road, we proposed a toll fee, and also a user fee covering the operating and maintenance costs.

Senator MURKOWSKI. The road would be operational year-round?

Mr. GIEGERICH. Yes; it would be.

Senator MURKOWSKI. Yet, the ability to move ore out of the ports would be limited to how many months?

Mr. GIEGERICH. About 4 months.

Senator MURKOWSKI. So that there'd be a stockpiling then at the port site?

Mr. GIEGERICH. Yes. The concentrates would be stockpiled under cover at the port site for the 8 months winter season.

Senator MURKOWSKI. There would be a mill at the mine?

Mr. GIEGERICH. Yes. The mining facilities would consist of the mine itself, plus concentrator, powerplant, and accommodation for the people working there.

Senator MURKOWSKI. Where would the power be generated from?

Mr. GIEGERICH. Right at the mine.

Senator MURKOWSKI. From what source?

Mr. GIEGERICH. We're looking at two sources right now, coal and diesel.

Senator MURKOWSKI. Where would the coal come from?

Mr. GIEGERICH. Again, we're looking at various sources for the coal, but the obvious closest source is the coal north of Red Dog in the Wainright area.

Senator MURKOWSKI. How would you get the coal down there?

Mr. GIEGERICH. Well, there's two methods. One is by road, and of course you can look at an all-weather road or a winter road. The other is——

Senator MURKOWSKI. That would be an additional road, then, in addition to the proposed access road from the Red Dog mine to the port?

Mr. GIEGERICH. Yes, it would have to be.

Senator MURKOWSKI. How far would that road be?

Mr. GIEGERICH. It's about 70 miles.

Senator MURKOWSKI. What are the consequences of that road—whose land would that road go through?

Mr. GIEGERICH. I think it's primarily State land.

Senator MURKOWSKI. Would anybody care to enlighten us? Is it State land? Does anybody know? Are we going through State or Federal?

Mr. HENSLEY. Mr. Chairman, I would like to clarify that. We are not proposing such a road. We are being talked to by those who have the coal as to our ability to utilize the coal, but it's not something that this project is promoting. I do think that the land is owned partially by the State and also by the Arctic Slope Regional Corp.

Senator MURKOWSKI. What was the other alternative you were going to mention?

Mr. GIEGERICH. The other alternative I believe that the people looking at the coal are considering is by barge around Point Hope. That again would have to be summer movement.

Senator MURKOWSKI. Is there any application of transmission lines?

Mr. GIEGERICH. Yes, that also, I understand, they are considering.

Senator MURKOWSKI. From a mine-mouth powerplant.

Mr. GIEGERICH. Yes.

But again, as Mr. Hensley has pointed out, this is not part of our project because it's just being considered as a possible alternative.

Senator MURKOWSKI. Well, obviously you have to have power.

How many trucks do you anticipate? Can you give the committee some idea of the traffic associated with—these are, I assume, large off-highway trucks carrying concentrate?

Mr. GIEGERICH. Basically they'll be large on-highway trucks.

Senator MURKOWSKI. On-highway?

Mr. GIEGERICH. We're looking at a large truck/trailer unit capable of moving 150 tons per trip.

Senator MURKOWSKI. How often would one of these trucks go by a given spot?

Mr. GIEGERICH. At the initial capacity, there'll be about 12 truck trips a day.

Senator MURKOWSKI. Twelve truck trips a day?

Mr. GIEGERICH. At 12, and at full capacity probably something like 20 truck trips a day.

Senator MURKOWSKI. That's in a 24-hour period?

Mr. GIEGERICH. Yes.

Senator MURKOWSKI. And then there would be supplies coming the other way on occasion?

Mr. GIEGERICH. Yes, but the supplies will be moved back on the backhaul from the concentrate trucks, so moving the supplies—and if the fuel source is oil, that will again move back in the concentrate trucks. So that would not bring any additional traffic.

Senator MURKOWSKI. How do personnel get in and out of the area—would they get in and out of the area?

Mr. GIEGERICH. Fly.

Senator MURKOWSKI. Would they come up by the road? They wouldn't come by road, they'd fly in?

Mr. GIEGERICH. No, they'd fly. We have a 5,000-foot airstrip at the site which we're improving this summer so it can take larger aircraft.

Senator MURKOWSKI. I have no further questions for this panel. Thank you, gentlemen, for your testimony.

[Subsequent to the hearing NANA submitted the following:]

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May 9, 1985

The Honorable Malcolm Wallop
Chairman, Subcommittee on Public
Land, Reserved Waters and Resource
Conservation of the Committee on
Energy and Natural Resources
Room 308
Dirksen Senate Office Building
Washington, D.C. 20510

Re: S. 444

Dear Mr. Chairman:

During hearings by your Committee on April 29, 1984, on S. 444, NANA was requested to supply for the record evidence that the Alaska Land Use Council supported the proposed land exchange which is the subject of S. 444. On behalf of NANA we submit copies of pages of the minutes of the March 8, 1984, meeting of the Land Use Advisors Committee of the Alaska Land Use Council, with supporting documents, which show the adoption of a resolution supporting the proposed exchange, as well as a copy of the resolution, and copies of the pages of the minutes of the March 21, 1984 meeting of the Alaska Land Use Council, with supporting documents, which show the unanimous adoption of a resolution supporting the proposed exchange, as well as a copy of the resolution.

Sincerely,

WILKINSON, BARKER, KNAUER & QUINN

By: Richard Anthony Baenen

Enclosures

cc: The Honorable Frank Murkowski (w/enc.)
Mr. Don Argetsinger (w/o enc.)

ALASKA LAND USE COUNCIL

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State Co-Chairman
Bill Sheffield
Governor

Federal Co-Chairman
Vernon R. Wiggins

RESOLUTION OF THE
ALASKA LAND USE COUNCIL'S
LAND USE ADVISORS COMMITTEE

RESOLUTION NUMBER 1

WHEREAS, the Secretary of the Interior, William Clark, and the NANA Corporation have concluded an agreement in principle regarding a land exchange within Cape Krusenstern National Monument; and

WHEREAS, the land exchange is of benefit to the United States in that it would result in a net gain in acreage under National Park Service management within Cape Krusenstern National Monument, as well as increased protection for Monument resources; and

WHEREAS, the land exchange would be of benefit to the NANA Corporation by providing the most environmentally sound access route to the Red Dog mining prospect located on NANA lands beyond the Monument; and

WHEREAS, in addition to the overall enhancement of the Cape Krusenstern National Monument, the United States will acquire from NANA a lease in perpetuity at the Onion Portage archeological site located within the Kobuk Valley National Park; and

WHEREAS, to the extent that the land exchange furthers the development of the Red Dog mining project, there will be significant economic benefits to the State of Alaska residents:

NOW THEREFORE BE IT RESOLVED, that the Land Use Advisors Committee to the Alaska Land Use Council, supports the land exchange as outlined in the Letter of Intent signed by the Secretary of Interior and the NANA Corporation, and strongly urges similar support by the Alaska Land Use Council.

Adopted this 8th day of March 1984 at Juneau, Alaska.

Chairman
Land Use Advisors Committee

M I N U T E S

OF THE

LAND USE ADVISORS COMMITTEE

I. CALL TO ORDER

The meeting of the Alaska Land Use Advisors Committee was called to order at 9:05 a.m., at the Governor's Conference Room, State Capitol Building, Juneau, Alaska, March 8, 1984.

A quorum was established with thirteen (13) members present.

MEMBERS PRESENT:

Dr. James V. Drew, Chairman
Robert Swetnam
Wayne Ross
Steven Silver
Dan Fondell
Dr. Charles Hawley
Bartz Englishoe
Jim Yatsik
Dr. John Kim
Cory Samia
Dr. Robert Baker
Dr. Hugh B. Fate, Jr., D.M.D.
Brian Rogers via teleconference

MEMBERS ABSENT:

Donald Bell - (Chairing an Alaska Loggers Association Meeting)
Peter Scholes (Mr. Scholes flight was unable to land in Juneau due to weather conditions.)

OTHERS PRESENT:

Governor Bill Sheffield, State Cochairman
Vernon R. Wiggins, Federal Cochairman
Ron McCoy, Federal Staff Coordinator
Lisa Parker, State Staff Coordinator
Craig Lindh, Division of Governmental Coordination
Ned Farquhar, Department of Natural Resources
Mike Tollefson, National Park Service
John Sharrod, Chugach National Forest
Dalton Dulac, Chugach National Forest
Walt Sheridan, U.S. Forest Service
Bob Muth, U.S. Forest Service
Lennie Boston, Governor Sheffield's Office
Stan Leaphart, Citizen's Advisory Commission on Federal Areas
Elliot Lipson, Department of Transportation & Public Facilities
Don Argetsinger, NANA Development Corporation

Brian Rogers: Just one final comment, and that is that there are seven (7) days left to comment on this study to the National Park Service and I urge anyone that does feel strongly about the recommendations to do so as an individual.

Chairman Drew: We will review again and ask our staff to get information about what the Canadians are doing along these lines and also what other organizations within the State might be capable of assistance in this. We will have those at our next meeting and we'll make sure that this item is on the Agenda for the May meeting. In addition, all committee members will receive copies of the report prior to that meeting.

III. NANA Regional Corporation - Presentation on Proposed Land Exchange

Chairman Drew: At this point I would like to present Don Argetsinger, a former member of the Land Use Advisors Committee and Vice President of the NANA Development Corporation.

Don Argetsinger: The reason we are here today making a presentation is that, as you know, one of the Action Items on the Agenda for the Council meeting on March 21st is a review of the proposed land exchange between NANA Regional Corporation and the National Park Service. One of the processes in dealing with a land exchange is to submit it for review by the Council, and knowing your interest in Council items we wanted to briefly discuss this with you and ask your thoughts on it. In our land selections we have the Red Dog zinc-lead-silver deposit located 90 miles north of Kotzebue. These lands have been conveyed to us by the BLM under the Settlement Act and we have been working for several years on feasibility of the mining project, including the transportation aspects. We are roughly six months away from a final decision on the production and we are at this time trying to resolve the difficulties with access. The basic project is one that will consist of the mine site with an enclave type of development, operated similar to Prudhoe Bay where people are flown in and out. The project will employ about 400 people working on a rotational basis, mining the ore, concentrating it, hauling it down a 55 mile road route to the coast and shipping the ore concentrates out on a seasonal basis from a port site located south of Kivalina. Through the process of the feasibility study, we considered a number of possible access routes from the mine site to the coast. After a good deal of thought and consultation with people in our villages, we came to the conclusion that what we feel is the most environmentally sound, shortest and cheapest route to use is one that goes

through a portion of the Cape Krusenstern National Monument.

There are a number of options to secure this access, one of those is Title XI, which I think most of you are familiar with. We have filed a Title XI application, but we are not pursuing that alternative at this time for a number of reasons. One is that the regulatory process is not complete, the final regulations aren't in place, there are a number of uncertainties as to how a developer deals with the issue of finding the material to build a road across a national monument. It is also what we perceive to be a long process - sixteen to twenty-four months, and requires both presidential and congressional review. For those reasons, we have looked at another alternative to secure access across the monument by engaging in a land exchange with the National Park Service. We have just completed the negotiations on the exchange. One of the documents I passed around is a Letter of Intent between the Secretary of Interior and NANA. We will have the signed letter available for the members of the Council by the March 21st meeting. (See Attachment B.) We are awaiting the final details of the exchange before we finalize the Agreement. Once it is completed, that, together with the full documentation will become part of the record for the Coastal Zone Consistency Review. The Coastal Zone process taken by the State of Alaska will involve at least two public hearings, one in Kotzebue and one in Anchorage. Once that process is completed, the full record is submitted to the Secretary prior to execution of the final exchange documents. So, appearing here before you today and before the Council on the 21st is one step towards completing the process.

What we are proposing is to relinquish all selections, which includes five (5) townships on the east side of the Cape Krusenstern Monument. Those lands are all under selection by NANA as part of our Settlement Act assignment for a total of 102,000 acres. What we are proposing to do is to relinquish all those selections and allow them to become part of the Cape Krusenstern National Monument. In exchange, we would receive title to the lands in the North Block in the northwest portion of the monument. That lot totals about 62,000 acres roughly and contains the lands we propose to use for road construction towards the mine site. (See Attachment C.) Land ownership leading to the mine site starts out on NANA land on the coast, then crossing, we would require the North Block and then proceed on to State lands; then about 7 miles of the road would be on NANA selected lands near the mine site. We would require title to the North Block and take title to the lands identified in the northwest block. Those lands are within the boundaries of the monument. In

addition, we would convey back to the Park Service an area of about 2,000 acres identified south of the West Block, (identified as "port site" in Attachment C). We would relinquish our selection rights to about 700 acres if the Government titles back about 1,300 acres; the Government would then credit us with an additional 1,300 acre entitlement which we would take in the Kivalina village selection area. Those lands would come out of their over-selection. They will be identified and precisely located in the exchange agreement. In addition, we have agreed to give the National Park Service a number of covenants that relate to one other area of the park in the South Block, which is the southeast corner of the map. We have title to that township consisting of about 10,000 acres. We would agree to give the National Park Service covenants that relate to protection of archeological resources and cultural resources. Some key values in this monument are located in the southern portion, Cape Krusenstern, of course, being the most important. Also, through a series of covenants on the lands we receive from the Interior Department, as part of this North Block, we would agree to give the National Park Service at least a voice, but not final authority, of how we go about developing that North Block in planning construction of the road, how the construction is carried out and how borrow sites would be reclaimed after construction is finished. There is also mutual concern by NANA and the National Park Service about the effect development could have on caribou. Part of our agreement in development of the Red Dog Mining site, to control that route so as not to affect the caribou migration. The road will be shut down probably several weeks a year so as not to disturb migration of the Western Arctic caribou herd, and the National Park Service will have a role in how we structure that control. We have also agreed that the National Park Service can go on that North Block if they want to carry out scientific studies that relate to archeological sites there. We agreed to give the National Park Service a lease to a five (5) acre site on the Kobuk River east of Kotzebue called Onion Portage. We also agreed to grant to the United States free use of sand and gravel to maintain easements that they have located on NANA selections.

We have summarized on the two pages attached to the map what NANA is giving in exchange for this. We are putting back into the park lands that have a lot more resource value to the National Park Service than the lands we are acquiring.

Wayne Ross: Is that road going to be available for public use?

Mr. Argetsinger: The road as we envision it will be available for industrial use by all of the operators in the area. There are a significant number of Federal mining claims in that area held by other companies. We see the road being used by all of the developers. It may end up that the road will actually end up being owned by the State other than by one of the private parties, so it will be public in the sense that it will be available to developers for industrial purposes. We do not perceive a public road in the sense that it would be available for recreational use.

Chuck Hawley: The important thing seems to be to address the trade itself. If NANA feels that it wants to trade I think that it should be expedited. It appears that NANA bargained more than fairly with the National Park Service.

Cory Samia: I agree with Chuck. I would also like to ask what kind of input there has been from environmental organizations regarding this.

Mr. Argetsinger: We went to environmental groups in Anchorage and Fairbanks when we started negotiations. We explained what we were doing and why we were doing it. We met with several environmental groups on several occasions in Washington, and next week we will go back to the environmental groups in Alaska and let them know where we came out on this, and encourage them to come to the Coastal Zone hearings to be held as part of the consistency review.

Robert Baker: I have some background on this project over the past couple of years. I agree with Chuck that this project has some major economic potential if and when the Red Dog Mine is ever developed, and from what I understand, the National Park Service is relatively pleased with this exchange. It certainly does protect some very valuable archeological artifacts down there and from an environmental standpoint I think it would be well addressed, so I would certainly endorse this.

Wayne Ross: The only concern I have as I understand this is that if this transfer goes through the road would go across NANA land, then it would go into State land and then it would go into this area of the mine, and I would like to go on record as saying that if such a road is built, the public should have some access to it. It looks like it would give access to the eastern portion of the monument. I hate to see roads go across State lands that the public doesn't have some access to.

MOTION: IT WAS MOVED BY STEVEN SILVER THAT THE LAND USE ADVISORS ADOPT THE PROPOSED DRAFT RESOLUTION OF THE AGREEMENT OF THE SECRETARY OF THE INTERIOR, WILLIAM CLARK AND THE NANA DEVELOPMENT CORPORATION REGARDING A LAND EXCHANGE WITHIN CAPE KRUSENSTERN NATIONAL MONUMENT, CHANGING THE TITLE FROM THE CITIZEN'S ADVISORY COMMITTEE TO CONFORM TO OUR OFFICIAL TITLE IN THE BODY AND RESOLVE CLAUSE. (See attachment A). THE MOTION WAS SECONDED BY ROBERT SWETNAM.

THE MOTION PASSED UNANIMOUSLY BY VOICE VOTE.

IV. Chugach Land Management Plan - Presentation by John Sharrod and Dalton Dulac, Chugach Forest Service.

Chairman Drew: As an item of background, this item came up before the committee and became a complex enough issue for a sub-committee to be appointed to provide additional information and input regarding the Chugach Land Management Plan. Dr. Kim has been chairman of that sub-committee, so I will have Dr. Kim review this portion of the Agenda.

Dr. Kim: I would like to have members of the National Forest Service give us some background and after that we would like to submit the recommendation to the whole committee.

Dan Fondell: I would like to distribute some comments on this plan from the Chugach Native Corporation. (See attachment E)

Dalton Dulac: We have prepared a summary of perceptions that came out in the public involvement process to help them understand the plan and how we thought we were addressing those perceptions. I've asked John Sharrod to quickly go through that perceptions to help the committee gain some understanding of the plan. After the presentation, I would like to address CNI's concerns as well.

John Sharrod: We received approximately 900 inputs during the two input periods of both the draft plan and the supplements. The forest is about 5.9 million acres. The first of the public perceptions is that the overwhelming public support is being ignored. Briefly what was considered for wilderness were three different situations. One was the ANILCA mandated Nellie Juan-College Fiord Wilderness Study area. The others were the four forest additions from ANILCA totaling about 2 million acres, the Copper River Area, the College Fiord Area, the Nellie Juan Area and Controller Bay. The remainder of the forest was evaluated because it was designated as RARE II, further planning areas.

ATTACHMENT B

Mr. John W. Schaeffer, Jr.
President
NANA Regional Corporation
P. O. Box 49
Kotzebue, Alaska 99750

Re: Land Exchange - NANA Regional Corporation, Inc., and Department of the Interior

Dear Mr. Schaeffer:

For the past several weeks, representatives of the Department of the Interior and the NANA Regional Corporation have been engaged in discussions and negotiations concerning a proposed land exchange pursuant to section 1302(h) of the Alaska National Interest Lands Conservation Act (ANILCA), 16 U.S.C. 3192(h) and 22(f) of ANCSA, 43 C.F.R. 1621(f), involving lands within the NANA Region and the Cape Krusenstern National Monument. This letter will set forth our mutual understanding of what we are considering, and will serve as the basis for further negotiations. It should be recognized, however, that various administrative findings are required before a formal exchange may be effectuated.

Prior to execution of an agreement, the following administrative work, as a matter of law, policy or comity, must be satisfactorily completed:

1. Compliance with section 7 of the Endangered Species Act.
2. Compliance with section 106 of the National Historic Preservation Act.

3 Compliance with OMB Circular A-95.

4. Compliance with section 307 of the Coastal Zone Management Act.

5. Completion of a resource evaluation.

6. A determination that the exchange is for equal value or that it is in the public interest.

7. Coordination with the Alaska Land Use Council.

8. A subsistence evaluation and determination under section 810 of ANILCA.

Completion of these administrative tasks, and the resulting conclusions from these reviews, must support the exchange. Furthermore, the appraisals must demonstrate that the United States is receiving a reasonable value, and the exchange must not impair the essential integrity of Cape Krusenstern National Monument and provide a net benefit for the National Park System.

Although this Department has made, and can make, no binding commitment to an exchange at this time, it is our intent to pursue an exchange within the parameters negotiated so far as outlined in this letter. We will proceed with a good faith effort to negotiate a final agreement consistent with this outline unless our administrative work listed causes us to reach the conclusion that the exchange is not in the public interest.

The outline of the potential exchange would be as follows:

A. OBLIGATIONS OF THE UNITED STATES

(1) The United States would convey approximately 62,723 acres to NANA, within the Cape Krusenstern National Monument, more particularly described as follows:

Kateel River Meridian

T.25N., R.23W., Secs. 5 NW 1/4, and 6;

T.26N., R.22W., Secs. 4-8, 17 and 18;

T.26N., R.23W., Secs. 1-23, 24 N 1/2 and SW 1/4, 25 W 1/2 , and 26-32;

T.27N., R.22W., Secs. 1-10, 15-21, 22 W 1/2, and 28-33;

T.27N., R.23W., All;

Aggregating 62,723 acres more or less.

(2) In addition, the Secretary would convey to NANA approximately 32,300 acres within the monument from prior selections, and NANA would have the lands so conveyed charged against its land entitlements under sections 12(b) or 12(c) of the Alaska Native Claims Settlement Act (ANCSA), as appropriate, said lands more particularly described as follows:

Kateel River Meridian

T.25N., R.24W., Secs. 1-2 and 11-14;

T.26N., R.24W., Secs. 1-16, 21-28, and 34-36;

T.27N., R.24W., Secs. 11-15, 22-29, and 32-36;

Aggregating 32,300 acres more or less.

(3) The Secretary would agree to grant to NANA a winter trail easement or easements for travel related to subsistence across monument lands exchanged or relinquished by NANA pursuant to paragraph B(1) of this letter.

(4) The exchange agreement would recognize that title to all lands relinquished by NANA pursuant to paragraph B(1) of this letter would remain in the United States and therefore would continue to be "public lands" as that term is defined in section 102(3) of ANILCA for the purposes of title VIII of ANILCA.

B. Obligations of NANA:

(1) NANA would relinquish all village and regional selections of approximately 101,005 acres within the Monument, made pursuant to sections 12(a), 12(b), 12(c), 14(h)(1) or 14(h)(8), of the Alaska Native Claims Settlement Act, said lands more particularly being located in:

Kateel River Meridian

T.23N., R.21W., All;

T.24N., R.21W.;

T.25N., R.21W.;

T.26N., R.20W.;

T.26N., R.21W.;

T.27N., R.20W.;

T.27N., R.21W.

Those lands selected by NANA within the area described in this paragraph B(1) and which lie outside the Monument boundary may be retained. The acreage selected by NANA pursuant to section 12(c) of ANCSA within the area described in this paragraph B(1) and which lies within the Monument would be retained by the United States and 64,894 acres, more or less, would be charged against NANA's 12(c) entitlement.

(2) NANA would convey to the United States easements or equitable servitudes on the following described lands, or agree to covenants running with the lands, as appropriate, which would provide for all aspects of cultural resources protection and

research related thereto by the National Park Service, as well as National Park Service participation in planning related to any development on the described lands. These lands are composed of approximately 10,942 acres within the Monument, and are more particularly described as:

Kateel River Meridian

T.19N., R.19W., (partial township), all, excluding any valid Alaska Native Allotments; Aggregating 10,942 acres more or less.

(3) NANA would release its interests to approximately 2,010 acres within the monument to the United States, said lands more particularly described as:

Kateel River Meridian

T.25N., R.24W., Sections 23 S1/2, 24, 25, 26 and 36, aggregating 2,010 acres more or less.

Those lands already conveyed to NANA would be reconveyed to the United States, and the charge for such acreage against NANA's entitlement would be reduced accordingly. NANA would be entitled to select an equal acreage from land validly selected by NANA in the section 11(a)(1) withdrawal area for the village of Kivalina; the land would be adjacent to lands owned or to be owned by a Native Corporation, would be in one compact tract and would be specifically identified in the final exchange agreement. Those areas selected but not yet conveyed would be relinquished, and

there would be no charge for such acreage against NANA's entitlement.

(4) NANA would agree to allow the United States to include in the conveyance of the lands to NANA by the Secretary pursuant to paragraph A(1) of this letter, covenants running with the lands, easements, and equitable servitudes, as appropriate, providing for:

(a) Reasonable access to and procedures for survey and examination of archaeological sites known or discovered within the land, and procedures agreed to by the parties for the protection, collection and disposal of archaeological specimens, such procedures to be part of the final exchange agreement.

(b) Reasonable right of access by National Park Service employees and contractors to undertake research related to Monument resources.

(c) Protection of wildlife and habitat, in particular caribou and musk oxen, and mitigation of any significantly adverse impacts during construction of any future roads or other developments, and control of vehicular traffic on any roads for the purpose of avoiding significant disturbance to the caribou.

(d) Protection of active peregrine falcon nests known or discovered, consistent with existing policies of the U.S. Fish and Wildlife Service.

(e) Protection for anadromous or other fish passage, consistent with the policies and procedures of the State of Alaska under Title 16 of the Alaska Statutes.

(f) National Park Service participation in planning related to the development of material sites, including the mitigation of adverse visual impacts.

(g) Reclamation of gravel extraction sites.

(5) NANA would execute a sufficient interest in land for a 5-acre administrative site, including a ranger station, a visitor facility, and a camp site and related facilities, for the National Park Service at a location to be mutually agreeable to the parties within the Onion Portage Historic District, Kobuk Valley National Park. The interest in land would be for as long as the National Park Service would utilize the site for said administrative purposes, at no cost to the United States. Other terms and conditions of the interest in land are subject to negotiation. The terms and conditions would not unreasonably or significantly interfere with the use of the site by the National Park Service.

(6) Without either admitting or denying the legal position of the Department of the Interior, NANA would not challenge the use by the United States of sand and gravel under any easement reserved pursuant to section 17(b)(1) of the Alaska Native Claims Settlement Act if the sand and gravel is used for purposes of either developing or maintaining the easement under which the sand and gravel lies.

C. GENERAL

NANA and the Department of the Interior agree to further negotiate a provision in the formal agreement concerning an option or options for NANA to rescind the agreement. Both parties agree to negotiate such provision in good faith, recognizing that the Department of the Interior must receive adequate consideration for such option or options.

We will proceed with the various steps that could lead to a formal exchange agreement, with the clear understanding that this Department has not made any binding commitment to the exchange, nor can we at this time. By your acceptance of this letter of intent, you agree that your corporation, subject to the conditions set forth above, will pursue negotiation of an exchange as outlined previously, and will continue to act in good faith. We acknowledge, also, that the terms of any agreement must be approved by the NANA Board.

Sincerely,

William Clark

Accepted: This _____ day of March, 1984.

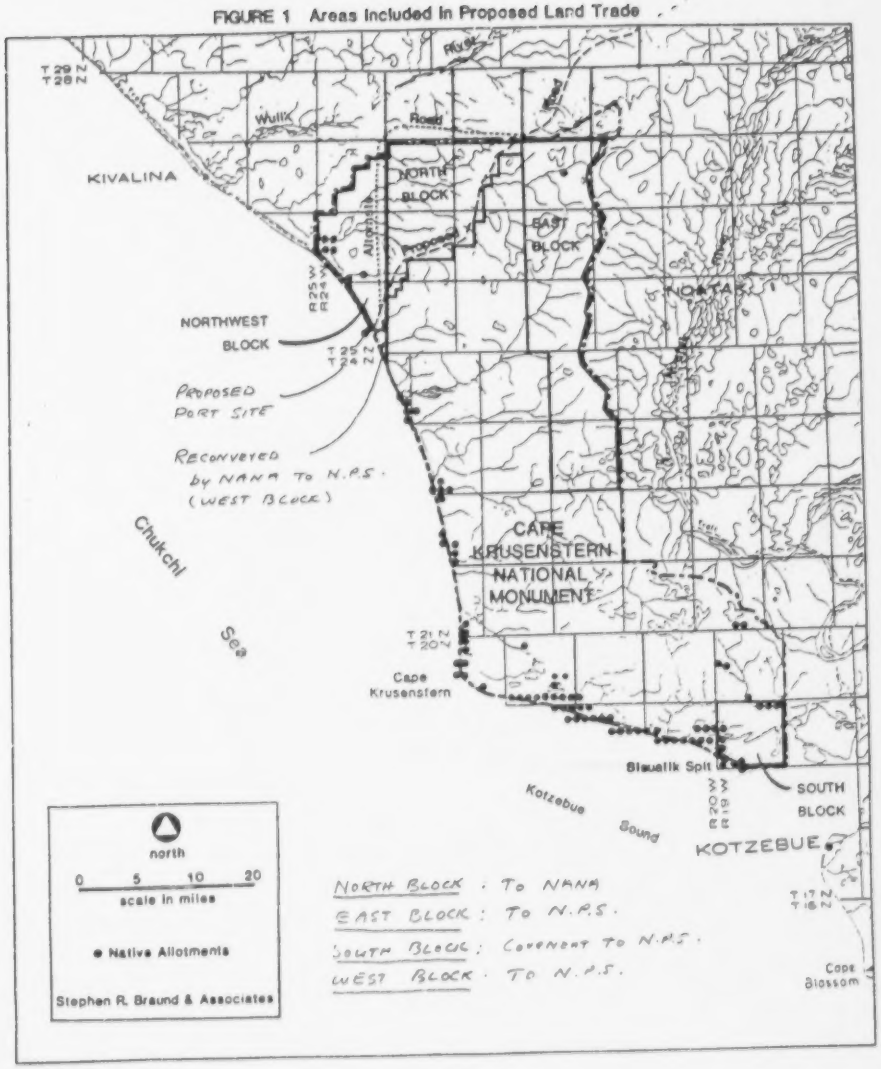
NANA Regional Corporation

_____

By John Schaeffer
President

ATTACHMENT C
RED DOG MINE

FIGURE 1 Areas Included in Proposed Land Trade



National Park Service - NANA Land Exchange
at Cape Krusenstern National Monument

Land and interests in land to be acquired by the National Park Service:

* 102,000 acres of NANA selections on the eastern boundary of Cape Krusenstern

* 2,000 acres of NANA conveyed and selected land on the Chukchi Sea coast in Cape Krusenstern

* An archeological and cultural resource protection covenant on 11,000 acres of NANA land in the southern Monument (Sheshalik)

* A 5 acre lease in perpetuity at Onion Portage on the Kobuk River

* Covenants designed to protect habitat and archeological resources on 62,723 acres of land to be conveyed to NANA and to give the National Park Service a role in the planning for the possible development of those lands.

* Free use of sand and gravel underlying easements reserved by B.L.M. on lands conveyed to NANA for maintenance and improvements to those easements.

Land and interests in land to be acquired by NANA:

* 62,723 acres of land in the northcentral portion of Cape Krusenstern National Monument

* 1,370 acres of credit against ANSCA 12 (a) entitlement

48-422 O - 85 - 5

Summary of Land Exchange Benefits

Benefits to the National Park Service:

1. Consolidates private land ownership within Cape Krusenstern in the northwest segment of the Monument.

2. Improves overall protection for Monument resources:
   a. Archeological resources
   b. Subsistence use
   c. Game habitat

3. Provides a National Park Service administrative and recreational site on the Kobuk River at Onion Portage for the benefit of Kobuk Park visitors and Kobuk River users.

4. Provides access to and protection of valuable archeological resources on the southern coast of Cape Krusenstern.

Benefits to NANA:

1. Provides land for a segment of the transportation system from the Red Dog mining prospect to the Chukchi Sea coast in the location with the lowest social and environmental impact, and highest degree of local support.

2. Possible time savings in the process of acquiring authorization for the development of the Red Dog project.

ATTACHMENT D

ALASKA LAND USE COUNCIL

P.O. Box 120
Anchorage, Alaska 99510

(907) 272-3422

State Co-Chairman
Bill Sheffield
Governor

Federal Co-Chairman
Vernon R. Wiggins

RESOLUTION OF THE
ALASKA LAND USE COUNCIL'S
LAND USE ADVISORS COMMITTEE

RESOLUTION NUMBER 1

WHEREAS, the Secretary of the Interior, William Clark, and the NANA Corporation have concluded an agreement in principle regarding a land exchange within Cape Krusenstern National Monument; and

WHEREAS, the land exchange is of benefit to the United States in that it would result in a net gain in acreage under National Park Service management within Cape Krusenstern National Monument, as well as increased protection for Monument resources; and

WHEREAS, the land exchange would be of benefit to the NANA Corporation by providing the most environmentally sound access route to the Red Dog mining prospect located on NANA lands beyond the Monument; and

WHEREAS, in addition to the overall enhancement of the Cape Krusenstern National Monument, the United States will acquire from NANA a lease in perpetuity at the Onion Portage archeological site located within the Kobuk Valley National Park; and

WHEREAS, to the extent that the land exchange furthers the development of the Red Dog mining project, there will be significant economic benefits to the State of Alaska residents:

NOW THEREFORE BE IT RESOLVED, that the Land Use Advisors Committee to the Alaska Land Use Council, supports the land exchange as outlined in the Letter of Intent signed by the Secretary of Interior and the NANA Corporation, and strongly urges similar support by the Alaska Land Use Council.

Adopted this 8th day of March 1984 at Juneau, Alaska.

_____
Chairman
Land Use Advisors Committee

ALASKA LAND USE COUNCIL

P.O. Box 120
Anchorage, Alaska 99510

(907) 272-3422

State Co-Chairman
Bill Sheffield
Governor

Federal Co-Chairman
Vernon R. Wiggins

RESOLUTION
OF THE
ALASKA LAND USE COUNCIL
REGARDING NANA DEVELOPMENT CORPORATION

WHEREAS, the Secretary of the Interior has the authority under Section 1302(h) of ANILCA and Section 22(f) of ANSCA to enter into land exchanges with Native corporations which involve land in conservation system units; and

WHEREAS, the Secretary of the Interior, William Clark, and the NANA Corporation have signed a Letter of Intent to pursue a land exchange within Cape Krusenstern National Monument; and

WHEREAS, the Land Use Advisors Committee to the Alaska Land Use Council has approved a resolution in support of a land exchange between NANA and the Department of Interior as outlined in the Letter of Intent; and

WHEREAS, the land exchange would be of substantial benefit to the Department of Interior by increasing the acreage under National Park Service management within Cape Krusenstern National Monument, by the consolidation of private land within the monument, and by securing protective covenants which further the purposes for which the Monument was created; and

WHEREAS, in addition to the overall enhancement of the Cape Krusenstern National Monument, the United States will acquire from NANA an administrative and recreational site at Onion Portage on the Kobuk River within the Kobuk Valley National Park;

NOW THEREFORE BE IT RESOLVED, that the Alaska Land Use Council supports the land exchange at Cape Krusenstern as outlined in the Letter of Intent signed by the Secretary and the NANA Corporation, and urges both parties to the exchange to undertake the remaining administrative procedures, including any hearing processes, necessary to conclude the exchange.

Passed and approved this 21st day of March, 1984.

Bill Sheffield, Governor
State Cochairman

Vernon R. Wiggins
Federal Cochairman

C.M. #011/84

M I N U T E S

OF THE TWELFTH REGULAR MEETING OF THE
ALASKA LAND USE COUNCIL
March 21, 1984
Juneau, Alaska

I. CALL TO ORDER

The meeting was called to order by Cochairman Bill Sheffield at 9:20 A.M., in the Governor's Conference Room, State Capitol Building, Juneau, Alaska, Wednesday, March 21, 1984.

II. ESTABLISHMENT OF QUORUM

Council Members Present:

Governor Sheffield	State Cochairman
Vernon R. Wiggins	Federal Cochairman
Jacob Adams	Representative, Alaska Native Regional Corporations
Roger Contor	Regional Director, National Park Service
Curtis McVee	Director, Bureau of Land Management
Richard Knapp	Commissioner, Department of Transportation & Public Facilities
Janie Leask	President, Alaska Federation of Natives
John Sandor	Regional Forester, U.S. Forest Service
Robert Putz	Regional Director, U.S. Fish & Wildlife Service
Denny Kelso	Representing Don Collinsworth, Department of Fish & Game
Esther Wunnicke	Commissioner, Department of Natural Resources
Frank Cunningham	Regional Director, Federal Aviation Administration
Robert McVey	Director, National Marine Fisheries Service
Richard Neve'	Commissioner, Department of Environmental Conservation

A quorum was established with all members of the Council present or represented.

A MOTION WAS MADE BY MR. KELSO THAT THE ALASKA LAND USE COUNCIL GRATEFULLY ACKNOWLEDGES THE RESOLUTION AND RECOMMENDATIONS OF THE LAND USE ADVISORS COMMITTEE AND URGES THE U.S. FOREST SERVICE TO GIVE THEM APPROPRIATE CONSIDERATION IN ITS FINALIZATION OF THE CHUGACH NATIONAL FOREST PLAN, AND THE COUNCIL URGES THE FOREST SERVICE NOT TO PROPOSE ANY ACTION WHICH WOULD IMPEDE OR INTERFERE WITH THE PORT AND TRANSPORTATION ALTERNATIVES FOR DEVELOPMENT OF THE BERING RIVER COAL FIELD, AS SUCH ALTERNATIVES ARE DEPICTED IN THE DOCUMENT ENTITLED, FINAL REPORT-ASSESSMENT OF THE FEASIBILITY AND IMPLEMENTATION OF PORT AND TRANSPORTATION SYSTEM ALTERNATIVES FOR THE BERING COAL FIELD. MR. SANDOR SECONDED THE MOTION.

A voice vote was taken and THE MOTION PASSED UNANIMOUSLY.

MR. PUTZ asked to go on the record as stating that the Dusky Canada goose population is the lowest it has ever been since 1963. In the Copper River Delta about ten thousand birds remain, and they would like to encourage more cooperation and interaction with the Forest Service and others on this.

MR. KELSO said the Department of Fish & Game concurs completely with Mr. Putz, and they don't view the Resolution as impeding that process, as it is a very important resource.

5. NANA Regional Corporation

GOVERNOR SHEFFIELD introduced Don Argetsinger, of the NANA Corporation, to give a presentation on the proposed land exchange involving lands within the Cape Krusenstern National Monument and the NANA Regional Corporation.

MR. ARGETSINGER referred to the Letter of Intent to be executed with Secretary Clark, a map showing the land involved in the exchange, as well as an outline of the respective benefits to each party. From NANA's point of view the exchange does one essential thing, and that is to achieve a consolidation of land ownership in the Cape Krusenstern Monument that they could not otherwise achieve, bécause the land they will acquire is not available to them under the Settlement Act. These areas are important to NANA Regional Corporation in connection with the DeLong Mountain/Western Brooks Range Mining District, which include lands owned by NANA, and have potential mineral development in the Red Dog area. NANA feels that the exchange would be very

beneficial to the government and that there is an important consolidation achieved in the northwestern parts of the monument. They feel they are giving back substantial acreage to the National Park Service, by either relinquishment or reconveyance, that both parties agree have higher monument values, recreational values, and generally keeping with the purpose for which the monument was established. He noted that the Council was familiar with the land exchange process, and this was one step in that process. There is an entire administrative record that is being worked on in conjunction with the National Park Service that will be completed before the final documents are processed by NANA and the Secretary. This exchange will also go through the State Coastal Zone Management Consistency Review process, which will involve at least one public hearing.

MR. CONTOR stated that this was a definite resource protection advantage to the National Park Service and a management administrative advantage to see this exchange consummated. He said that the National Park Service identifies with the agreement to hold public meetings or hearings during the period of deliberation. They are aiming for early May for these meetings. He said that they would like to invite written comments for a sixty (60) day period, which would be approximately May 21, 1984. He stated that Mr. Dick Stenmark, who has been the National Park Service's principal staffer on this exchange, would be available if anyone had questions concerning the exchange.

A MOTION WAS MADE BY MS. LEASK TO ADOPT THE ALASKA LAND USE ADVISORS RECOMMENDATIONS REGARDING THE NANA CORPORATION. (See Resolution #1 attached and made a part of these Minutes.) THE MOTION WAS SECONDED BY MR. CONTOR.

A voice vote was taken and THE MOTION PASSED UNANIMOUSLY.

6. National Park Service General Management Plans

GOVERNOR SHEFFIELD asked Mr. Contor if the fishermen in the Glacier Bay National Park and Preserve would be able to fish there this year in those areas they are fishing now.

MR. CONTOR said no, that two things were going forth simultaneously - the Closure Regulations, which would close those wilderness waters in Glacier Bay; and at the same time, the Glacier Bay GMP proposes a legislative adjustment in the wilderness boundary which

9. General Information

MR. PUTZ distributed a letter to all Council members expressing the views of the five federal agencies concerning the formulation of the proposed Kenai River Plan, a copy of which is attached.

GOVERNOR SHEFFIELD thanked all of the people who gave presentations.

ADJOURNMENT

THERE BEING NO FURTHER BUSINESS TO DISCUSS, THE ALASKA LAND USE COUNCIL MEETING ADJOURNED AT 12:25 P. M.

Respectfully submitted,

Robert L. Grogan
State Cochairman Designee

Vernon Wiggins
Federal Cochairman

Approved on this 23rd day of May, 1984.

Attachments

ATTACHMENT H

THE SECRETARY OF THE INTERIOR
WASHINGTON

March 12, 1984

Mr. John Schaeffer
President
NANA Regional Corporation
P.O. Box 49
Kotzebue, Alaska 99750

Dear Mr. Schaeffer:

For the past several weeks, representatives of my staff and the NANA Regional Corporation have been engaged in discussions and negotiations concerning a proposed land exchange pursuant to section 1302(h) of the Alaska National Interest Lands Conservation Act (ANILCA), 16 U.S.C 3192(h) and 22(f) of ANCSA, 43 C.F.R. 1621(f), involving lands within the NANA Region and the Cape Krusenstern National Monument. This letter will set forth our mutual understanding of what we are considering, and will serve as the basis for further negotiations. It should be recognized, however, that various administrative findings are required before a formal exchange may be effectuated.

Prior to execution of an agreement, the following administrative work, as a matter of law, policy or comity, must be satisfactorily completed:

1. Compliance with section 7 of the Endangered Species Act.

2. Compliance with section 106 of the National Historic Preservation Act.

3. Compliance with OMB Circular A-95.

4. Compliance with section 307 of the Coastal Zone Management Act.

5. Completion of a resource evaluation.

6. A determination that the exchange is for equal value or that it is in the public interest.

7. Coordination with the Alaska Land Use Council.

8. A subsistence evaluation and determination under section 810 of ANILCA.

Completion of these administrative tasks, and the resulting conclusions from these reviews, must support the exchange. Furthermore, the appraisals must demonstrate that the United States is receiving a reasonable value, the exchange must not undermine the essential integrity of Cape Krusenstern National Monument, and it must provide a net benefit for the National Park System.

Although this Department has made, and I can make, no binding commitment to an exchange at this time, it is my intent to pursue an exchange within the parameters negotiated so far as outlined in this letter. I will proceed with a good faith effort to negotiate a final agreement consistent with this outline unless the administrative work listed causes me to reach the conclusion that the exchange is not in the public interest.

The outline of the potential exchange would be as follows:

A. Obligations of United States:

(1) The United States would convey approximately 62,723 acres to NANA, within the Cape Krusenstern National Monument, more particularly described as follows:

Kateel River Meridian

T.25N., R.23W., Secs. 5 NW 1/4, and 6;

T.26N., R.22W., Secs. 4-8, 17 and 18;

T.26N., R.23W., Secs. 1-23, 24 N 1/2 and SW 1/4, 25 W1/2, and 26-32;

T.27N., R.22W., Secs. 1-10, 15-21, 22 W1/2, and 28-33;

T.27N., R.23W., All;

Aggregating 62,723 acres more or less.

(2) In addition, I would convey to NANA approximately 32,300 acres within the monument from prior selections, and NANA would have the lands so conveyed charged against its land entitlements under sections 12(b) or 12(c) of the Alaska Native Claims Settlement Act (ANCSA), as appropriate, said lands more particularly described as follows:

Kateel River Meridian

T.25N., R.24W., Secs. 1-2 and 11-14;

T.26N., R.24W., Secs. 1-16, 21-28, and 34-36;

T.27N., R.24W., Secs. 11-15, 22-29, and 32-36;

Aggregating 32,300 acres more or less.

(3) I would agree to grant to NANA any necessary winter trail easement or easements for travel related to subsistence across monument lands exchanged or relinquished by NANA pursuant to paragraph B(1) of this letter.

(4) The exchange agreement would recognize that title to all lands relinquished by NANA pursuant to paragraph B(1) of this letter would remain in the United States and therefore would continue to be "public lands" as that term is defined in section 102(3) of ANILCA for the purposes of title VIII of ANILCA.

B. Obligations of NANA:

(1) NANA would relinquish all village and regional selections of approximately 101,005 acres within the Monument, made pursuant to sections 12(a), 12(b), 12(c), 14(h)(1) or 14(h)(8), of the Alaska Native Claims Settlement Act, said lands more particularly being located in:

Kateel River Meridian

T.23N., R.21W., All;

T.24N., R.21W.;

T.25N., R.21W.;

T.26N., R.20W.;

T.26N., R.21W.;

T.27N., R.20W.;

T.27N., R.21W.

Those lands selected by NANA within the area described in this paragraph B(1) and which lie outside the Monument boundary may be retained. The acreage selected by NANA pursuant to section 12(c) of ANCSA within the area described

in this paragraph B(1) and which lies within the Monument would be retained by the United States and 64,894 acres, more or less, would be charged against NANA's 12(c) entitlement.

(2) NANA would convey to the United States easements or equitable servitudes on the following described lands, or agree to covenants running with the lands, as appropriate, which would provide for all aspects of cultural resources protection and research related thereto by the National Park Service, as well as National Park Service participation in planning related to any development on the described lands. These lands are composed of approximately 10,942 acres within the Monument, and are more particularly described as:

Kateel River Meridian

T. 19 N., R. 19 W., (partial township), all, excluding any valid Alaska Native Allotments; Aggregating 10,942 acres more or less.

(3) NANA would release its interests to approximately 2,010 acres within the Monument to the United States, said lands more particularly described as:

Kateel River Meridian

T. 25 N., R. 24 W., Sections 23 S1/2, 24, 25, 26 and 36, aggregating 2,010 acres more or less.

Those lands already conveyed to NANA would be reconveyed to the United States, and the charge for such acreage against NANA's entitlement would be reduced accordingly. NANA would be entitled to select an equal acreage from land validly selected by NANA in the section 11(a)(1) withdrawal area for the village of Kivalina; the land would be adjacent to lands owned or to be owned by a Native Corporation, would be in one compact tract and would be specifically identified in the final exchange agreement. Those areas selected but not yet conveyed would be relinquished, and there would be no charge for such acreage against NANA's entitlement.

(4) NANA would agree to allow the United States to include in the conveyance of the lands to NANA by the Secretary pursuant to paragraph A(1) of this letter, covenants running with the land, easements, and equitable servitudes, as appropriate, providing for:

(a) Reasonable access to and procedures for survey and examination of archaeological sites known or discovered within the land, and procedures agreed to by the parties for the protection, collection and disposal of archeological specimens, such procedures to be part of the final exchange agreement.

(b) Reasonable right of access by National Park Service employees and contractors to undertake research related to Monument resources.

(c) Protection of wildlife and habitat, in particular caribou and musk oxen, and mitigation of any significantly adverse impacts during construction of any future roads or other developments, and control of vehicular traffic on any roads for the purpose of avoiding significant disturbance to the caribou.

(d) Protection of active peregrine falcon nests known or discovered, consistent with existing policies of the U.S. Fish and Wildlife Service.

(e) Protection for anadromous or other fish passage, consistent with the policies and procedures of the State of Alaska under Title 16 of the Alaska Statutes.

(f) National Park Service participation in planning related to the development of material sites, including the mitigation of adverse visual impacts.

(g) Reclamation of gravel extraction sites.

(5) NANA would execute a sufficient interest in land for a 5-acre administrative site, including a ranger station, a visitor facility, and a camp site and related facilities, for the National Park Service at a location to be mutually agreeable to the parties within the Onion Portage Historic District, Kobuk Valley National Park. The interest in land would be for as long as the National Park Service would utilize the site for said administrative purposes, at no cost to the United States. Other terms and conditions of the interest in land are subject to negotiation. The terms and conditions would not unreasonably or significantly interfere with the use of the site by the National Park Service.

(6) Without either admitting or denying the legal position of the Department of the Interior, NANA would not challenge the use by the United States of sand and gravel under any easement reserved pursuant to section 17(b)(1) of the Alaska

Native Claims Settlement Act if the sand and gravel is used for purposes of either developing or maintaining the easement under which the sand and gravel lies.

C. General

NANA and the Department of the Interior agree to further negotiate a provision in the formal agreement concerning an option or options for NANA to rescind the agreement. Both parties agree to negotiate such provision in good faith, recognizing that the Department of the Interior must receive adequate consideration for such option or options.

We will proceed with the various steps that could lead to a formal exchange agreement, with the clear understanding that I have made no binding commitment to the exchange, nor can I at this time. By your acceptance of this letter of intent, you agree that your corporation, subject to the conditions set forth above, will pursue negotiation of an exchange as outlined previously, and will continue to act in good faith. I acknowledge, also, that the terms of any agreement must be approved by the NANA Board.

Sincerely,

William Clark

Accepted: This 14th day of March, 1984.

NANA Regional Corporation

By John Schaeffer
President

FIGURE 1 Areas Included in Proposed Land Trade

National Park Service - NANA Land Exchange at Cape Krusenstern National Monument

Land and interests in land to be acquired by the National Park Service:

* 102,000 acres of NANA selections on the eastern boundary of Cape Krusenstern

* 2,000 acres of NANA conveyed and selected land on the Chukchi Sea coast in Cape Krusenstern

* An archeological and cultural resource protection covenant on 11,000 acres of NANA land in the southern Monument (Sheshalik)

* A 5 acre lease in perpetuity at Onion Portage on the Kobuk River

* Covenants designed to protect habitat and archeological resources on 62,723 acres of land to be conveyed to NANA and to give the National Park Service a role in the planning for the possible development of those lands.

* Free use of sand and gravel underlying easements reserved by B.L.M. on lands conveyed to NANA for maintenance and improvements to those easements.

Land and interests in land to be acquired by NANA:

* 62,723 acres of land in the northcentral portion of Cape Krusenstern National Monument

* 1,370 acres of credit against ANSCA 12 (a) entitlement

Summary of Land Exchange Benefits

Benefits to the National Park Service:

1. Consolidates private land ownership within Cape Krusenstern in the northwest segment of the Monument.

2. Improves overall protection for Monument resources:
   a. Archeological resources
   b. Subsistence use
   c. Game habitat

3. Provides a National Park Service administrative and recreational site on the Kobuk River at Onion Portage for the benefit of Kobuk Park visitors and Kobuk River users.

4. Provides access to and protection of valuable archeological resources on the southern coast of Cape Krusenstern.

Benefits to NANA:

1. Provides land for a segment of the transportation system from the Red Dog mining prospect to the Chukchi Sea coast in the location with the lowest social and environmental impact, and highest degree of local support.

2. Possible time savings in the process of acquiring authorization for the development of the Red Dog project.

ATTACHMENT I

ALASKA LAND USE COUNCIL

P.O. Box 120
Anchorage, Alaska 99510

(907) 272-3422

State Co-Chairman
Bill Sheffield
Governor

Federal Co-Chairman
Vernon R. Wiggins

RESOLUTION
OF THE
ALASKA LAND USE COUNCIL
REGARDING NANA DEVELOPMENT CORPORATION

WHEREAS, the Secretary of the Interior has the authority under Section 1302(h) of ANILCA and Section 22(f) of ANSCA to enter into land exchanges with Native corporations which involve land in conservation system units; and

WHEREAS, the Secretary of the Interior, William Clark, and the NANA Corporation have signed a Letter of Intent to pursue a land exchange within Cape Krusenstern National Monument; and

WHEREAS, the Land Use Advisors Committee to the Alaska Land Use Council has approved a resolution in support of a land exchange between NANA and the Department of Interior as outlined in the Letter of Intent; and

WHEREAS, the land exchange would be of substantial benefit to the Department of Interior by increasing the acreage under National Park Service management within Cape Krusenstern National Monument, by the consolidation of private land within the monument, and by securing protective covenants which further the purposes for which the Monument was created; and

WHEREAS, in addition to the overall enhancement of the Cape Krusenstern National Monument, the United States will acquire from NANA an administrative and recreational site at Onion Portage on the Kobuk River within the Kobuk Valley National Park;

NOW THEREFORE BE IT RESOLVED, that the Alaska Land Use Council supports the land exchange at Cape Krusenstern as outlined in the Letter of Intent signed by the Secretary and the NANA Corporation, and urges both parties to the exchange to undertake the remaining administrative procedures, including any hearing processes, necessary to conclude the exchange.

Passed and approved this 21st day of March, 1984.

Bill Sheffield, Governor
State Cochairman

Vernon R. Wiggins
Federal Cochairman

Senator MURKOWSKI. We will call the next panel group, Mr. T. Destry Jarvis, vice president, Conservation Policy, National Parks and Conservation Association; and Mr. David Cline, vice president of the Alaska National Audubon Society.

I guess Mr. Leape is replacing Mr. Cline. Mr. Cline missed his plane. Mr. Jarvis has testimony also on the addition to the Petrified Forest National Park. So you gentlemen may proceed.

STATEMENT OF T. DESTRY JARVIS, VICE PRESIDENT, NATIONAL PARKS AND CONSERVATION ASSOCIATION

Mr. JARVIS. Thank you, Mr. Murkowski.

Senator MURKOWSKI. Now who is who?

Mr. JARVIS. I am Destry Jarvis, vice president of National Parks and Conservation Association.

Senator MURKOWSKI. Mr. Jarvis, thank you.

Mr. JARVIS. We appreciate the opportunity to testify before the committee today in support of enactment of S. 444. I think there are several important reasons for my association's support for this legislation, the principal one being that, in our judgment, the Cape Krusenstern National Monument will benefit from the exchange contemplated in this legislation.

At present within the boundary, the northern limit of that monument includes less than half of the watershed of the Omikviorik drainage. The remainder of that drainage will be deleted from the monument, whereas the additions will include the upper watersheds of several streams, as had been previously noted by the Park Service.

In particular, Rabbit Creek is a major drainage that constitutes about a third of the acreage of the monument, the upper end of which will be added by this land exchange. One of the goals which was often stated during the debate on the Alaska National Interest Lands Conservation Act [ANILCA] by myself and others in the Alaska Coalition was the desirability of including complete watersheds in the boundaries of national park system units. The enactment of this legislation and consummation of the land exchange will accomplish that for Cape Krusenstern.

It should be noted perhaps as an historical note that the lands being deleted from this monument were neither in the monument proposal of former Secretary Morton in 1974, nor were they in the monument proposal of Secretary Andres in 1977. We do not believe that this exchange should be viewed as a precedent for ignoring title XI in the future. We think that both the merits of the exchange itself and the fact that no regulations exist to implement title XI are sufficient reason to use the exchange mechanism in this particular instance, and would hope that in future instances of this sort title XI regulations will be implemented, and that mechanism contemplated by ANILCA will be utilized in the future.

I should mention in passing that a secondary reason for our support of this route is that we believe, through independent analysis, that the route through the monument known as the southern route will have less environmental effect overall than the northern route.

I would say also that, reflecting back on the legislative history of ANILCA, a corridor was left between Cape Krusenstern and the Noatak National Preserve ostensibly for the purpose of the Red Dog mine road. That route was quickly rejected during the consideration of routes by NANA, Cominco, and the Department of Interior. At some appropriate point in the future, we suggest that the committee look at the relative remaining boundaries between Cape Krusenstern and the Noatak and consider a boundary adjustment, since that gap was left only for the Red Dog mine road.

Senator MURKOWSKI. Is it your suggestion that gap be closed and it be included in Cape Krusenstern?

Mr. JARVIS. I think that it would be appropriate for the committee to review that, since the legislative history clearly indicates that that gap was left only for the Red Dog mine road, and since it is not being utilized for that purpose, it merits another look. I think on analysis we would support closing that gap, but it is an historical note I would say that looking back on that legislative history would indicate if that was indeed the only reason, then why not look at it again.

One technical——

Senator MURKOWSKI. You indicated in your testimony your concern over the use of title XI not being a precedent.

Mr. JARVIS. Yes.

Senator MURKOWSKI. And you're referring to specifically what? You favor it in this case, but——

Mr. JARVIS. In this case, because the land exchange benefits the monument, and because there are no implementing regulations for title XI yet promulgated or finalized by the Department, we think it's appropriate to utilize this mechanism to accomplish what would normally be done by title XI.

Senator MURKOWSKI. Which would be an administrative action.

Mr. JARVIS. Yes; and in the—well, title XI requires in the case of a route through a national park——

Senator MURKOWSKI. Congressional——

Mr. JARVIS [continuing]. Would require congressional sanction.

Senator MURKOWSKI. Yes.

Mr. JARVIS. Or endorsement. But normally, title XI should be utilized for such purposes as contemplated by ANILCA. In this case, for the two reasons cited, we think the proposed mechanism of S. 444 is appropriate.

Senator MURKOWSKI. Well, it's my understanding that the rationale for it under ANILCA was the realization that it had a tremendous landmass that was roadless, and things were bound to develop, and there had to be some provision to allow access, and this was the provision that was put in.

Mr. JARVIS. Right. Title XI was inserted in ANILCA for that purpose, and we support its utilization, and when the regulations are in place and workable.

I noted your earlier comment of the letter from Noranda regarding the GCO claim at Lik, and I also think that it would be appropriate for the committee to include language in the report indicating it's the committee's understanding that one route would be used for purposes of both claims, rather than a second route in the region. I think that would be alleviating one of our concerns.

Senator MURKOWSKI. I will enter this letter into the record at this time.

[The document referred to follows:]

NORANDA EXPLORATION, INC.,
Denver, CO, April 26, 1985.

Re: Access route to DeLong Mountains.

Hon. FRANK H. MURKOWSKI,
U.S. Senate, Dirksen Office Building, Washington, DC.

DEAR SENATOR MURKOWSKI: Noranda Exploration, Inc. has recently entered into an agreement with GCO Minerals to explore and develop the LIK zinc/lead/silver deposit located approximately fifteen miles north of the Red Dog deposit. Accordingly, we are very interested in current activities relating to the selection of an access route to the DeLong Mountains.

We understand that a number of alternative routes have been studied by the U.S. Department of Interior, the Environmental Protection Agency, the State of Alaska, NANA, Cominco, and GCO Minerals. We further understand that each of these entities has concluded that a southern route to a port site south of the Wulik River is the environmentally and economically preferred alternative. Noranda believes that this southern route would be environmentally more sound and less costly than other alternatives, and accordingly supports the conclusion reached by the other parties involved.

If a southern route is approved, Noranda would use that route for access to the DeLong Mountains. We are not considering an alternate route.

Very truly yours,

GEOFFREY G. SNOW, *President.*

Mr. JARVIS. Finally, I think it appropriate to note that the presence of the construction and utilization of this route places some special constraints on the National Park Service's operations at Cape Krusenstern National Monument, and we would urge the committee to also include some language in the report stressing the need for the Park Service to have sufficient personnel at the monument to adequately work with NANA and Cominco during the monitoring, operation, and maintenance phases.

The Park Service has an affirmative responsibility to protect the monument's values, and to work with NANA and Cominco, and presently lacks sufficient personnel at the monument to carry out this purpose.

We think the addition of one or two professional staff at the park would greatly benefit their ability to work with NANA and Cominco during the operation of the mine and the road.

That concludes my statement, Mr. Chairman, regarding the Red Dog mine.

Senator MURKOWSKI. Do you have a statement on the Petrified Forest National Park you would like to enter into the record?

Mr. JARVIS. Would you rather have me finish, or whichever. I'll be very brief.

I've been asked by the Archeological Conservancy, which is the owner of the 40-acre tract contemplated for addition to the Petrified Forest National Park by S. 488, to speak in their behalf. If I may do so very briefly, simply to say that the Archeological Conservancy is the owner of the 40 acres, at least the surface portion of that property.

For nearly 20 years the Park Service and archeological professionals have contemplated the addition of this tract in its protection because of its unique significance. It's located, interestingly and coincidentally, on the boundary of an existing national park, but its significance relates more to the Anasazi culture at Chaco

Canyon National Historical Park 100 miles to the east. Although there is no certainty yet on the part of the archeologists, it may well represent the transition zone between the Anasazi culture to the east and the Hohokam culture to the west, and consequently is a unique opportunity to protect a particularly significant archeological site.

The subsurface on this property is presently owned by the Santa Fe Railroad, one of its subsidiaries. We would urge the committee to include language in S. 488 that would direct the Bureau of Land Management to undertake the land exchange with Santa Fe for the purpose of consolidating that ownership within the monument, and exchanging to Santa Fe equivalent value lands elsewhere.

It is the intent of the conservancy to donate the surface ownership to the National Park Service, having raised funds for its acquisition privately.

The site is currently threatened by archeological looters who operate in this area, and would be additionally benefited by the presence of the property in National Park Service ownership and under their law enforcement protection abilities. We urge enactment of S. 488.

Thank you, Mr. Chairman.

[The prepared statements of Mr. Jarvis follow:]

STATEMENT OF T. DESTRY JARVIS, VICE PRESIDENT
NATIONAL PARKS AND CONSERVATION ASSOCIATION

Before the Subcommittee on Public Lands, Reserved Water
and Resource Conservation

on S.444

April 29, 1985

Mr. Chairman and other distinguished members of the Subcommittee, I am T. Destry Jarvis, Vice President, National Parks and Conservation Association, headquartered at 1701 18th Street NW, Washington DC. Since 1919, NPCA has served as a private, nonprofit defender of the resources and purposes of the units of the National Park System. We appreciate the opportunity to appear before the subcommittee today.

As is obvious to everyone here today, enactment of S.444 will mean more than merely the exchange of lands between the National Park Service and the Northwest Alaska Native Association (NANA). Indeed, enactment of S.444 is a critical step in the apparent plans of NANA and COMINCO Alaska in the development of the Red Dog Mine mineral deposits. In fact, the exchange contemplated in S.444 will result in the routing of a 55 mile road/railroad corridor from the Red Dog Mine to the Chukchi Sea, a portion of which will pass through the northern end of Cape Krusenstern National Monument.

For several reasons which I will enumerate, NPCA supports enactment of S.444. Two obvious questions come readily to mind upon scrutinizing the proposed legislation. First, is the proposed land exchange in itself beneficial or harmful to the National Monument? Second, why is the mechanism of the land exchange being utilized to provide for a transportation corridor across a national park system unit?

With regard to the merits of the exchange itself, NPCA is convinced that the results of the proposed exchange will be a better National Monument. Lands being deleted from the Monument for transfer to NANA represent only about 1/2 of the watershed of the Omikviorik drainage and consequently the NPS is probably incapable of fully protecting resource values in the area at present. In additio streams draining this portion of land into the Chukchi Sea have not been cited as important or even involved with gravel and sediment transport and deposition on the famous beach ridges of Cape Krusenstern. Contratily, lands to be added to the Monument by exchange with NANA will provide NPS with complete ownership and control of the upper drainages of at least four significant streams cited in earlier geophysical research as contributing to gravel and sediment transport deposition on the beaches of the Cape. Obviously, inclusion of complete watersheds within park unit boundaries was a major goal of the Alaska National Interest Lands Conservation Act (ANILCA). We

believe this exchange achieves that purpose of ANILCA for Cape Krusenstern National Monument. Inclusion of complete watersheds is also critical for important wildlife habitat including both caribou and musk oxen as well as the plentiful bird life including peregrine falcons which inhabit the area. Thus, in NPCA's view, the land exchange authorized by S.444 benefits Cape Krusenstern National Monument whether or not the Red Dog Mine transportation corridor is involved.

As a consequence of the above conclusion, NPCA does not view the proposed land exchange mechanism for approving a transportation corridor as a precedent for use of such a device should future corridors be proposed across national park system units in Alaska. Normally, the process contemplated by Title XI of ANILCA will and should be used for the approval of such transportation corridors. However, to date the Department of Interior has failed to promulgate regulations governing implementation of Title XI. In the absence of the clarity and certainty which would be provided by final regulations for Title XI, it is appropriate that a land exchange be utilized in this instance. I should also note that since the exchange does have a positive benefit for the Monument whereas Title XI provides only a road corridor, we conclude that the Monument comes out ahead in this manner. Road corridors through national park system units in other areas of the State should not be pursued until final approved regulations under Title XI have been promulgated.

Another important question raised by the proposed legislation and the road corridor which it represents, is which route has the least significant environmental impact. It is our conclusion, based on a thorough analysis of available data, numerous conversations with various professionals of the National Park Service, NANA and COMINCO, and two site visits by NPCA personnel, myself included, that the proposed road corridor for the Red Dog Mine transportation route which would be facilitated by enactment of S.444 is the one with the least environmental impact. This conclusion is predicated on the expectation that when the mineral deposit owned by GCO, Inc. known as the Lik deposit is developed in the future, that it will not require an additional road corridor but can utilize the same route to the sea contemplated for the Red Dog Mine. Two road corridors and two port sites are not only totally unnecessary but would be seriously degrading to the environment of the region. We would urge the committee prior to passage of S.444, to look seriously at all provisions of the "terms and conditions" and to perhaps seek assurance from NANA and the Department of Interior that only one road corridor will be permitted in this area. We cannot leave the question of the appropriate road corridor for the Red Dog Mine without observing that during the debate over ANILCA it was decided that a large gap should be left between the eastern boundary of Cape Krusenstern and the western boundary of the Noatak National Preserve running southward from the Red Dog Mine to Kotzebue Sound for the express purpose of providing a road corridor on nonpark land for Red Dog Mine. Subsequent to enactment of ANILCA the first serious look at alternative routes for Red Dog led to the immediate conclusion that this route was inappropriate on both environmental and economic grounds. At an appropriate time in the future, the Congress should consider a boundary change to close the gap between these two units.

Despite our general support for S.444, the proposed land exchange, and the southern route for the Red Dog Mine road, we have one objection. Given the fact of the exchange, one of our goals in supporting its consummation is that the remaining Monument be clean and free of remaining intrusions resulting from the mine road operation, construction and maintenance. One of the "terms and conditions" of the proposed exchange found under Obligations of the United States at A(5) is a provision conveying the subsurface sand and gravel rights to NANA of a 600-acre tract within Monument lands. We strongly recommend that this intrusion be removed from the Monument. At an absolute minimum, material from this potential quarry should be used only during the initial construction phase of the road, then restored, rather than remain as a source of maintenance material for the 50 year life of the mine. Other gravel sites exist outside the new Monument which should be utilized even if there is additional cost to COMINCO.

A final point not covered by the terms and conditions of the land exchange agreement, but implicit in its implementation is the requirement that the National Park Service provide within its own staff assigned to Cape Krusenstern National Monument a sufficient expertise in biological and engineering fields to adequately monitor and consult with NANA and COMINCO during construction and operation of the mine road. We urge the committee to include simple language in its report on S.444 indicating the necessity for NPS to allocate additional positions to Cape Krusenstern for this purpose.

In conclusion, Mr. Chairman, I not only wish to reiterate NPCA's support for enactment of S.444 but to commend both NANA and COMINCO for their willingness to consult with us and to share information early in the process of consideration of impacts and alternatives for the proposed mine and subsequent land exchange. Thank you again for the opportunity to testify and I would be happy to answer any questions.

STATEMENT OF T. DESTRY JARVIS, VICE PRESIDENT
OF THE
NATIONAL PARKS AND CONSERVATION ASSOCIATION
ON
S. 488 AND H.R. 1185
PRESENTED TO THE SUBCOMMITTEE ON
PUBLIC LANDS, RESERVED WATER AND RESOURCE CONSERVATION
APRIL 29, 1985

Mr. Chairman and Members of the Subcommittee, my name is T. Destry Jarvis and I am the Vice President for Conservation of the National Parks and Conservation Association. I am also representing the views of The Archaeological Conservancy.

S. 488 and H.R. 1185 are companion measures that would add forty acres to the boundary of Petrified Forest National Park in Arizona, and we strongly endorse this legislation.

For more than twenty years, planning documents of the National Park Service have recommended the acquisition of this parcel of land. I have copies of the most recent of these documents for the committee.

The forty acre parcel in question contains an extremely important archaeological site dating to the 12th Century A.D. known as Site 236. It is located just over the current boundary line. Site 236 is of the Anasazi culture that dominated the Four Corners region of Utah, Colorado, New Mexico and Arizona from about A.D. 800 to 1400. Such important parks as Mesa Verde and Chaco Canyon are representative of this once great culture.

Its major features include a 30 to 50 room pueblo or apartment-like house, associated midden and miscellaneous structures. The most interesting feature of Site 236 is a circular depression, 60 feet in diameter. This feature is believed to be either a great kiva or a dance circle, and was undoubtedly used for large ceremonial gatherings that attracted people from the entire region.

While similar structures are relatively common in Chaco Canyon, 100 miles to the northeast, they are very rare in Arizona. This may well represent Anasazi culture at the fringe of its territory. Site 236 is midway between the Anasazi and Hohokam culture centers. The Hohokam dominated the Gila and Salt River valleys at the same time as the Anasazi dominated the Four Corners. Site 236 may well contain elements of both that would shed a great deal of new knowledge on the interaction of these great prehistoric cultures.

While most unprotected archaeological sites in the vicinity of the Petrified Forest have suffered a great deal from the ravages of looters, Site 236 has not. It is one of the few remaining Anasazi sites in the region that is still in pristine condition. It is a natural addition to the park because of its location and because it is an integral part of the cultural history of the park. Its addition would provide fresh archaeological material to enhance visitor interpretation at the park.

While Petrified Forest National Park is primarily known for its natural features, it is an archaeological gold mine as well. More than 330 archaeological sites have been identified in the park, and several are now being interpreted for the visitor. Site 236 is the most significant nearby archaeological site that is not in the park.

In February 1985, Site 236 was purchased by The Archaeological Conservancy, a non-profit organization with headquarters in Santa Fe, New Mexico that acquires important archaeological sites for permanent preservation. The Conservancy receives no government funds and raised the money necessary to purchase this property exclusively from private sources. The Conservancy has offered to donate the property to the National Park Service, and the boundary change is necessary in order for the National Park Service to accept it.

Site 236 can be best preserved by the National Park Service because it is part of the cultural heritage of the park. It can also be protected as federal land under the Archaeological Resources Protection Act of 1979. It will be easy for the current staff of the park to protect because it is easily observed from the main park road, only one half mile away.

Site 236 is threatened by looters who are active in the region. It is also threatened by a subdivision. In fact, the Conservancy purchased the property from a Montana couple who bought it to build a house. The subdivision has had sales suspended by the Arizona Attorney General for a number of years. All of these problems have now been resolved, and sales are expected to resume shortly.

Research on the site can be undertaken as funds are available by the Western Archaeological Center of the National Park Service located in Tucson, which has the expertise in this area.

In summary, passage of S. 488 or H.R. 1185 would allow an important and irreplaceable part of the nation's cultural heritage to be added to the Petrified Forest National Park at no cost to the taxpayers. It is an addition long sought after by the professionals in the Park Service, and now is the time to fulfill their recommendation.

I appreciate the opportunity to testify here today, and I would be pleased to answer any questions.

STATEMENT OF T. DESTRY JARVIS, VICE PRESIDENT
NATIONAL PARKS AND CONSERVATION ASSOCIATION
PRESENTED TO THE
SENATE SUBCOMMITTEE ON
PUBLIC LANDS, RESERVED WATER AND RESOURCE CONSERVATION
ON H.R. 1373
APRIL 29, 1985

Mr. Chairman and Members of the Subcommittee, my name is T. Destry Jarvis and I am here today to present the views of the National Parks and Conservation Association (NPCA) on H.R. 1373, a bill to designate the wilderness in the Point Reyes National Seashore in California as the "Phillip Burton Wilderness". NPCA, like other conservation organizations, recognizes and appreciates the incredible accomplishments of Mr. Burton during his tenure as Chairman of the National Parks and Insular Affairs Subcommittee of the Interior and Insular Affairs Committee. His tireless energy and selfless dedication to the cause of protecting our nation's natural and cultural resources are matched by few. We are proud today to add our voice to those of others expressing all of our gratitude for a truely remarkable individual.

We do recommend only one modification to the proposal. Instead of designating the Point Reyes Wilderness as the "Phillip Burton Wilderness," dedicate the entire wilderness to him. No finer tribute could be made.

In addition, dedication--instead of redesignation--would be consistent not only with both the Park Service's philosophy and that of the NPCA, it would be in accord with the policy previously expressed by the House Interior and Insular Affairs Committee. Indeed, when certain lands were designated in the Point Reyes NS as wilderness in 1976, that committee expressed its position as follows:

> Subsection (b) adds a new section 7 which requires the Secretary to designate the principal environmental education center within the Seashore as the "Clem Miller Environmental Education Center", to commemorate the vision and leadership of the late congressman in the establishment of the Point Reyes National Seashore. The committee felt this would be a most suitable approach for recognizing the contributions of this individual, and would be consistent with both the committee's and the National Park Service's policies with regard to the application of names of persons to and within units of the National Park System. (House Rept. 94-1680)

We strongly believe that a redesignation--even for Mr. Burton--will create a precedent that would be regretted later. Precedents do exist in the National Park System, however, for designations of man-made facilities within park units such as the Clem Miller Environmental Education Center at Point Reyes NS, and the Paul Douglas Environment Center at Indiana Dunes NL. Furthermore, precedents for dedications also exist, such as the Baltimore-Washington Parkway to Gladys Noon Spellman and the C&O Canal NHP to its chief advocate, the late Wiliam O. Douglas. These designations and dedications have served as an appropriate means of recognizing prominent individuals associated with certain parks without changing the names of the natural areas in question. The natural areas within the System that do have names of individuals are areas that after constant use adopted those names as regional references.

Virtually every natural area in the System owes its designation to one or more individuals. If a precedent were set, as in the current proposal, subsequent proposals to change other natural area names to deserving as well as undeserving individuals will surely be forthcoming.

There is merit in retaining the natural area names as they are descriptive of the site itself. It reinforces the theme that these areas are representative components of this nation's natural systems, and are managed by the NPS, in such a way as to interfere with the natural processes as little as possible.

We appreciate this opportunity to recognize the accomplishments of Phillip Burton and to recommend that the Point Reyes Wilderness be dedicated to him rather than renamed.

Senator MURKOWSKI. Thank you. I have no questions at this time until the end of the panel. Mr. James P. Leape?

Mr. LEAPE. Leape, that's right.

Senator MURKOWSKI. Please proceed. You represent counsel, for Wildlife Programs, National Audubon Society?

Mr. LEAPE. That's correct, Mr. Chairman.

Senator MURKOWSKI. Please proceed.

STATEMENT OF DAVID CLINE, REGIONAL VICE PRESIDENT-ALASKA, NATIONAL AUDUBON SOCIETY, AS PRESENTED BY JAMES P. LEAPE

Mr. LEAPE. I am here today on behalf of the Audubon Society and its 500,000 members, and in particular on behalf of Dave Cline, who is our regional vice president in Alaska, who missed his connecting flight in Seattle yesterday, and so today I will present the statement which he read to me over the phone last night.

Dave Cline brings to this issue 12 years of experience with wildlife issues in the State of Alaska, and considerable expertise on the terms of this particular exchange.

Before entering into a discussion of the merits of this exchange, let me first commend both the NANA Corp. and Cominco and the National Park Service for the open and professional manner in which they handled the negotiations which led to the exchange that is now before this committee. We support this land exchange contained in S. 444 because we think that it will benefit the Park system, and because we think it provides the best possible route to serve the Red Dog mine.

It will benefit the Park Service because it acquires significant numbers of potential inholdings which, if eventually conveyed to the NANA Corp., could possibly threaten archeological resources in the southern end of the park. More important, we are convinced that it does provide the best route to serve the mine.

The proposed route is the result of long and careful study by the Cominco Corp. in consultation with Audubon and other members of the conservation community, and has been carefully planned to avoid sensitive environmental areas. We are convinced that the alternate routes proposed, including the route just north of the monument border and the route further north across the Wulik Basin, both present much more serious threats to wildlife and other natural resources than the route that has been chosen.

The route just north of the monument threatens valuable wetlands that are habitat for waterfowl and nesting seabirds, and also would place the port to serve this mine in the middle of a lagoon which is a valuable staging area for migrating birds.

The route that proceeds further north would cross the Wulik River and several of its tributaries, threatening important fisheries in that part of the State. So, for those reasons, in brief, which are set out in more detail in our printed statement, we support this land exchange.

But I would also like to take this opportunity to comment briefly on the need for substantial reform of the land exchange program under ANILCA. This exchange is unique. It was characterized by an open and thorough process and it is also characterized by congressional review in the form of S. 444. Those two characteristics set it apart from other land exchanges now being consummated administratively by the Department.

The typical administrative exchange has been negotiated in secret without any serious effort to ensure that the benefits to the conservation system are maximized. The St. Matthew Island land exchange which was recently successfully challenged by Audubon and other groups in court is perhaps the most outrageous example of this abuse of the system.

We urge this committee, not in this legislation but in oversight hearings and other fora, to demand that the Department of the Interior promulgate regulations to ensure that they implement this land exchange authority responsibly. These recommendations should include a system for setting acquisition priorities and identifying lands available for exchange, a public process for the review of land exchanges, including compliance with the National Environmental Policy Act, and substantive criteria for their public interest determinations.

With these recommendations in place, we are confident that the administrative land exchange process can be a useful tool in acquiring inholdings in the conservation system in these times of fiscal austerity.

With that note, let me emphasize that this land exchange, because of the process which led to it, because of the benefits it will yield, and because it has been submitted for congressional review and authorization, gets the full support of the National Audubon Society, and it is for that purpose that we are testifying today.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Cline follows:]

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STATEMENT OF DAVID CLINE
REGIONAL VICE PRESIDENT - ALASKA

ON

S. 444

PRESENTED BY JAMES P. LEAPE

BEFORE THE

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER AND RESOURCE CONSERVATION

OF THE

COMMITTEE ON ENERGY AND NATURAL RESOURCES
UNITED STATES SENATE

APRIL 29, 1985

Mr. Chairman and members of the subcommittee, the National Audubon Society is pleased to support the enactment of S. 444 as a means to resolve land and resource conflicts at the north end of Cape Krusenstern National Monument in Alaska.

The National Audubon Society has thoroughly evaluated the natural resource values associated with the proposed legislative land exchange. We are satisfied that COMINCO-Alaska and the Northwest Alaska Native Association (NANA) and the National Park Service fulfilled their responsibilities under the law and that the resource information acquired amply supports the proposed action.

Whether or not road and port facilities are ever built to support development of the proposed Red Dog Mine, the National Audubon Society believes that the land exchange as legislated in S. 444 will enable the National Park Service to better protect and manage the Cape Krusenstern National Monument. We believe that the proposed land exchange will benefit the national monument by removal of a significant acreage of potential private inholdings. This will enable the National Park Service to better protect the upper watersheds of four streams that geophysical research studies have shown contribute sediments to the beach deposition process at Cape Krusenstern. This deposition process is vital to preservation of the series of beach ridges and their world class archaeological resources that constitute the most

significant national resources to be protected in this national monument. National Park Service acquisition of these private inholdings is therefore important to the public interest.

We are also convinced that the 55-mile long transportation corridor from the Red Dog Mine to Tidewater that will be created in this land exchange is the best available route from a natural resource perspective. COMINCO-Alaska has conducted some of the best preplanning engineering that we have seen from a resource development company in Alaska. Time and again, COMINCO has realigned its road corridor to avoid sensitive environmental areas, including fish spawning and rearing areas, arctic peregrine eyries, sensitive permafrost zones, favored subsistence hunting and fishing grounds, musk ox range, and grizzly bear denning and Dall sheep lambing areas. Thus, we are absolutely convinced that their preferred route will have the least possible adverse impact on wildlife and other important natural resources.

COMINCO, NANA, the National Park Service, and the local native residents have all concluded that the alternatives to the proposed route would cause far more serious conflicts with fish, wildlife, and other natural resources. We concur in this conclusion.

Some have suggested that the proposed raod might be relocated a few miles north to avoid the existing National Monument altogether. This would force the road to cross approximately 11 miles of primary wetland areas which

support large populations of waterfowl and shorebirds. Such action would also force relocating the proposed port to VABM-17 site at Ipiavik Lagoon. This coastal lagoon is one of the largest staging areas in the region for waterfowl and shorebirds, and constitutes an important subsistence hunting area. The lagoon is also an important rearing area for adult and juvenile salmon and arctic char. Furthermore, preliminary studies have shown that the site has more ice-rich soils than at the preferred port site (VABM-28), and greater depths to bedrock. These environmental constraints would require large volumes of fill material to provide the necessary stabilization.

A second alternative that has been proposed is to locate the road even further north, crossing the Wulik and its tributaries. We think it would be a travesty to force COMINCO to choose an alternative corridor for its road that would intrude any further on the wetlands and numerous tributary streams of the Wulik River. We have learned from our experience with the North Slope haul road that, despite the best efforts of all involved, road crossings can cause serious harm to stream resources by blocking fish migrations and increasing sedimentation. The Wulik drainage north of the National Monument has long been recognized as supporting perhaps the finest arctic char fishery in Alaska. This was confirmed by COMINCO-Alaska's fine resource evaluations. If the road were built through this drainage, critical spawning, feeding, rearing and overwintering habitats for arctic char, salmon, and arctic grayling could all be adversely affected. This alternative thus would impose

unnecessary risk on this rich fishery, with its highly significant recreational and subsistence values, while causing serious engineering problems and increased costs as well.

We would like to conclude our remarks by commending COMINCO-Alaska, NANA, and the National Park Service for the process which led to this proposal for a legislated land exchange. Based on years of experience in working with business and industry interests in Alaska in attempts to resolve difficult land and resource conflicts, we are pleased to say that NANA and COMINCO-Alaska deserve to be complimented for the highly professional manner in which they have dealt with us on this issue. They have consistently responded to our recommendations in an honest and timely manner and have made a sincere effort to accommodate our concerns. We urge that this cooperation continue, and that all parties agree to ongoing monitoring by professional fish and wildlife biologists at such time as road and port construction proceed.

The National Park Service has also handled this exchange in an open and professional manner. Unfortunately, the thorough public process which produced this exchange was ad hoc, provided for this exchange, while routinely denied in other land exchanges conducted by the Department. Before closing our remarks today, therefore, we would like to take this opportunity to alert the Committee to the failure of the Department of the Interior to exercise its land exchange authority responsibly.

Especially in these times of fiscal austerity, land exchanges provide a potentially useful tool for acquiring the many inholdings that now riddle the conservation system in Alaska. The land exchange authority contained in the Alaska Lands Act was obviously provided for that purpose. Nonetheless, because the Department has failed to promulgate regulations spelling out procedures and standards for its use of the land exchange authority, that authority has often been exercised in an arbitrary and irresponsible fashion that threatens to undermine the Act itself.

The Department's abuse of its land exchange authority under ANILCA is perhaps best illustrated by the St. Matthew Island land exchange. That exchange, the product of secret negotiations with no opportunities for public comment, opened St. Matthew Island (a wildlife refuge and wilderness area) to development that would have had devastating consequences for seabird and marine mammal populations, while acquiring for the Department scattered inholdings of little if any value. Audubon challenged the exchange in court and the court declared the exchange invalid.

The St. Matthew exchange stands in stark contrast to the exchange before the Committee today. First, and most importantly, the St. Matthew exchange would have caused far greater harm to wildlife and other natural resources: the Island is one of the world's richest seabird nesting colonies, and supports seven endangered species of whales. Second, the land interests acquired by the Department in the St. Matthew exchange were less valuable and

less extensive that those acquired in Cape Krusenstern. Third, there is no evidence that development of St. Matthew Island was or is necessary to support development of the Navarin Basin OCS lease area (the intended purpose), or that it is the best site from a natural resource perspective; in contrast, we are convinced that the road corridor provided by this exchange is necessary to development of the Red Dog Mine, and that it is, from a natural resource perspective, the optimal route. Finally, the St. Matthew Island exchange was accomplished administratively; in this exchange, the parties have agreed to submit the terms to Congress. We believe that Congressional review is necessary for any exchange of this magnitude.

Unfortunately, however, the St. Matthew exchange is more nearly typical of the Department's implementation of its land exchange authority -- clandestine and ad hoc. This approach has spawned controversy that can be greatly reduced if the Department will adopt regulations establishing a sensible and open approach to land exchanges. We therefore urge the Committee to demand that the Department adopt the following measures:

1. Establish a system for setting acquisition priorities. Under such a system, the Department should, for each inholding, consider: (1) whether the inholding will pose any threat to protection or management of refuge resources; (2) the relative importance and probability of any such threats;

and, (3) the alternatives, short of acquisition, available to address such threats. These priorities can perhaps best be set through the refuge and park planning processes, although it can, of course, be an ongoing review.

2. Establish a system for identifying lands available for exchange, drawing upon all the federal lands in Alaska, and perhaps elsewhere. Consistent with congressional intent, such a system should establish a preference for lands outside the conservation system. Under the current system, FWS has been giving away refuge lands to get refuge lands; NPS has been giving away park lands to get park lands. Yet congressional intent and common sense both dictate that the Department should be giving away the lands with lowest public values, typically lands held by BLM and the Forest Service. Until the Department establishes a system for identifying lands available for exchange, there will continue to be a strong institutional bias toward exchanges within agencies, e.g., refuge lands for refuge lands, and the conservation system will suffer unnecessary losses.

3. Establish a public process for the development and approval of land exchanges so that the Department can benefit from the views and information the public has to offer, and s-

that land exchanges will not be tainted by the odor of clandestine negotiation and back room dealings. At a minimum, this process should provide that: (1) all land exchanges will be developed and approved in accordance with applicable laws, including NEPA, ESA, and ANILCA Title XI; and (2) all reasonable alternatives are considered.

4. Establish criteria for development and approval of land exchanges, including factors to be considered in determining "the public interest." These criteria should require that a land exchange involving conservation system lands may be approved only if it will serve the purposes of the affected conservation units, and will benefit the conservation system.

We are convinced that, with adoption of these modest, common-sense measures, the Department can develop an effective program for acquisition of inholdings, and minimize the controversy which has beset such efforts to date. We hope that the Committee will consider these proposals and urge their adoption by the Department. If such a process is adopted, National Audubon looks forward to working closely with the Department as both a public participant and supporter of this initiative.

Thank you.

Senator MURKOWSKI. Thank you. I wonder if either of you gentlemen would indicate why—I assume both of your representative groups have looked at the two proposals and evaluated the environmental impact statement, and yet there appears to be a difference of opinion based on your organization's attitude and that of some of those that represent the environmental organizations that are in opposition to the recommended southern route.

Mr. JARVIS. Well, Mr. Chairman, it is said that reasonable men differ. I would say that I have visited the site. The president of my association has visited the site. The chairman of our board has visited the site.

Senator MURKOWSKI. Both sites?

Mr. JARVIS. Yes.

Senator MURKOWSKI. The north and south?

Mr. JARVIS. We have, at Cominco and NANA's invitation but at our expense, at least so far as getting to Kotzebue is concerned, visited the mine site, the port site, and flown by helicopter along the alternate routes, and spent a bit of time on the ground in the vicinity. And in conjunction with that and the environmental impact statement, and the various engineering studies that Cominco contracted for, and our analysis of those, concluded that the southern route is the least damaging to the environment.

And I think equally important, that the lands to be exchanged between NANA and the Park Service result in a net benefit to the park, or to the monument.

Those two conclusions, co-equal conclusions, are the result of our own analysis, and I can't really speak for—or I don't care to characterize analysis that other organizations may have entered into.

Senator MURKOWSKI. No, nor is the Chair asking that you draw any general conclusions. I would mention that getting to Kotzebue is the cheapest part of the trip. [Laughter.]

It's the balance to look in those areas that's timely, and obviously very expensive.

Might it be that from the environmental community there's a basic objection toward disturbing the national monument, even though the proposed exchange may be very beneficial to the Park Service?

Mr. JARVIS. Well, I don't think it's fair to lump all of the environmental community together in this instance. We consider ourselves part of the environmental community.

Senator MURKOWSKI. No, I'm just generalizing by saying there's two of them that say it's good, and there's two of them that say it's not so good, and yet only one route goes through the monument. And I'm wondering if, in your opinion, as more or less of a policy——

Mr. JARVIS. Well, I might say that my association is some 67 years old, and in that period of time we have been staunch defenders of the integrity of the units of the national park system. In this instance, it's our conclusion that the monument comes out ahead as a result of this, and therefore we're supporting the legislation. If the monument did not come out ahead, we would not be supporting it. We think there is a net benefit.

Senator MURKOWSKI. When you evaluate an exchange, how much consideration is given the human resource—namely, the attitude of

the people who are affected, as opposed to the natural resource of the ecology and the environment and so forth? Do you equate to the human concern as far as the benefits are concerned?

Mr. JARVIS. In this case, Mr. Chairman, it's our belief that, particular so far as subsistence utilization is concerned, what is in and what is not in the monument really don't affect that, because they have——

Senator MURKOWSKI. Well, let me rephrase my question.

Mr. JARVIS. [continuing]. Access to the monument for subsistence purposes.

Senator MURKOWSKI. Let's put it this way. The people in the area have traditionally been on a subsistence economy. They have followed the game for generations, hunted and fished and so forth. And in view of your particular interests, whether it be the Audubon Society or the interests of the conservation policy under the national parks and Conservation Association, you're basically supporting a transition of these people that are aboriginal in the sense that they've always lived, fished and hunted, and the suggestion is that you're changing them over to a cash society so there's going to be less pressure potentially on the subsistence hunting and fishing. Is that beneficial from the standpoint of what your organizations stand for to see the people move off one support system traditionally into another?

Mr. JARVIS. As a matter of organizational philosophy, I would say we have a concern about the maintenance of this culture; but, on the other hand, I think they—we would not want to interfere in their decisions about whether they make this sort of transition of which you speak or not.

I think the opportunity to continue a subsistence lifestyle was one of the provisions of ANILCA, which we strongly supported, and which will not be derrogated in this instance. We support their ability to continue, if they so choose, a subsistence way of life.

Senator MURKOWSKI. I just wondered if you had an interest in seeing them off the subsistence, inasmuch as it would put less pressure on some of the interests, as opposed to seeing them continue on subsistence.

Mr. JARVIS. In our case, that never entered into the consideration.

Senator MURKOWSKI. It doesn't make any difference? OK. I have no further questions. I'll excuse the panel.

Our last panel, No. 6, is Mr. Snodgrass of the Wilderness Society, Mr. Jack Hession of the Sierra Club, and Amy Skilbred, Defenders of Wildlife. I welcome you to the committee, and I would ask that you proceed in any order that you so desire.

STATEMENT OF AMY SKILBRED, ALASKA PUBLIC LANDS SPECIALIST, DEFENDERS OF WILDLIFE

Ms. SKILBRED. Mr. Chairman, I'm Amy Skilbred, Alaska Public Lands Specialist for Defenders of Wildlife. On behalf of our 65,000 members, we appreciate the opportunity to submit testimony to the subcommittee on the proposed land exchange.

Defenders of Wildlife is opposed to the concept of taking lands out of conservation system units as outlined in S. 444 for the pur-

pose of accommodating development. I would first like to emphasize to the committee that Defenders is not opposed to the timely development of Red Dog mine located northeast of the monument boundary. We recognize that development of the mine is important to the residents of the NANA region and the NANA Corporation.

Furthermore, we recognize that a transportation system and port will have to be built to develop and service Red Dog mine, as well as other nearby mineral deposits of the western De Long mineral district and the Noatak zinc belt.

Cape Krusenstern National Monument was established by Presidential proclamation in 1978 and reconfirmed by Congress in 1980 by the passage of the Alaska Lands Act. Over 40 species of mammals use the lands and waters of the monument. Caribou use this area extensively, including the area proposed to be eliminated from the monument.

Defenders primary argument against S. 444 is that it is a terrible precedent to set for Park Service lands and other conservation system units. Monument lands should not be traded for the sole purpose of developing areas of wildlife habitat which would otherwise be protected. No one would trade 94,000 acres of Yosemite National Park in order to provide for development. No one would trade 94,000 acres of Yellowstone National Park in order to provide for a road corridor. Nor should we trade 94,000 acres of Cape Krusenstern in order to provide for a road corridor and a port site.

Maintaining the integrity of the monument and all conservation system units, whether in Alaska or any other state, is important to the future of these congressionally designated areas. The National Park System areas and other conservation system units in Alaska should not be shortchanged, especially in this case where feasible alternatives to the land exchange exist.

Furthermore, Defenders believe strongly, because of the wildlife values of the area and fragility of the land, there should be only one transportation system to service the region, one access corridor, and one port site. The broader picture should be looked at, rather than just Red Dog mine. Specifically, future development of the Lik and Su deposits and coal deposits located to the north and northwest of Red Dog mine should also be considered.

Because if the monument lands are exchanged out of the Park System to accommodate development of Red Dog, there is no guarantee that in the future when mining develops in the western De Long Mountains such as the Lik and Su deposits, a northern route would not also be developed.

Furthermore, Defenders believes that an assessment of the value of the lands to be traded, including the values of the minerals such as gravel on those lands, should be completed. A complete assessment would help clarify other problems with the proposal and identify alternatives. Defenders believes that these questions need to be answered, and the integrity of the monument considered before any further action is taken to exchange the lands out of the monument to provide for a road and port site.

Although this isn't in my testimony, the suggestions brought forth by NPCA that Defenders fully supports include closing the gap between the two areas—that is, putting the corridor between

the Noatak and Cape Krusenstern into protected status, no matter where the transportation route goes.

We also support that there only be one comprehensive transportation system, which includes Lik, Su, Red Dog, and the coal mining—future coal mining of the area.

Thank you.

[The prepared statement of Ms. Skilbred follows:]

Defenders
OF WILDLIFE

Statement of Amy Skilbred, Alaska Public Lands Specialist, Defenders of Wildlife, Before the Senate Energy and Natural Resources, Subcommittee on Public Lands and Reserved Water, Hearing on S.444 Amending the Alaska Native Claims Settlement Act, April 29, 1985.

Mr. Chairman, I am Amy Skilbred, Alaska Public Lands Specialist for Defenders of Wildlife. Defenders of Wildlife, a national non-profit organization, is dedicated to protecting, conserving, and enhancing this country's rich abundance and diversity of wildlife and wildlife habitat. On behalf of our 65,000 members (including almost 300 in Alaska) we appreciate the opportunity to submit testimony to the Subcommittee on the proposed land exchange. Defenders of Wildlife is opposed to the concept of taking lands out of conservation system units, as outlined in S.444, for the purpose of accomodating development.

Before any further discussion of this legislation, I emphasize to the committee that Defenders is not opposed to the timely development of Red Dog Mine located northeast of the Monument boundary. We recognize that development of the mine is important to the residents of the NANA region and the NANA Corporation. Furthermore, we recognize that a transportation system and port will have to be built to develop and service Red Dog Mine as well as other nearby mineral deposits of the western De Long mineral district and the Noatak Zinc belt.

The 530,000 acre Cape Krusenstern National Monument was established by Presidential Proclamation in 1978 and reconfirmed in 1980 by the passage of the Alaska National Interest Lands Conservation Act (ANILCA). The monument was established, among other reasons: to protect habitat for and populations of seals, other marine mammals, birds, fish and other wildlife; to protect the viability of subsistence resources; and, to protect the significant archaeological sites found there. Over fourty species of mammals use the lands and waters of the monument including caribou, grizzly bear, musk ox, moose, Dall sheep, wolf, weasel, wolverine, ringed seal, bearded seal, Stellar sea lion, walrus, bowhead, finback and beluga whales and harbor porpoise.

Caribou use this area extensively. In the early 1960s up to 10,000 caribou migrated through the Cape Krusenstern area. During recent years up to 60,000 have been recorded in the monument with as many as 10,000 wintering along the Kivalina drainage and within the Mulgrave Hills, including the area proposed to be eliminated from the monument. The endangered peregrine falcon has also been sited in this area.

Much of the area proposed to be deleted and developed for the road corridor and port site is also waterfowl nesting area. The moist tundra lowlands and wet sedge meadows near the coast are especially important habitat areas for waterfowl.

If this area is defacto deleted from the National Park Service's protective regulations through the proposed land exchange the road corridor would then be built on private land

and not subject to the stringent regulations of the park service which it is currently under. It is difficult to assess now what the impacts of this development would be to the wildlife in the area whose habitat would otherwise be protected.

Defenders believes that there are philosophical and practical considerations, including reasonable alternatives to this land exchange, that argue against passage of this land exhange to provide a transportation corridor and port site for COMINCO mining company at the expense of a National Monument. (COMINCO, a Canadian mining corporation, has been hired by NANA Regional Corporation to develop the Red Dog Mine.)

One of our primary arguments against S.444 is that it is a terrible precedent to set for park service lands and other conservation system lands. Taking 94,000 acres out of a National Monument to provide for a road with its associated habitat destruction from gravel mining and disruption of wildlife from use of the access route is not good public land management.

Along with the loss of 94,000 acres of parkland, the development activities in the area deleted from the park would adversely affect the monument for decades. Furthermore, as development of other mineral deposits increased the affects on the monument would also increase: dust from traffic along the road would damage vegetation and reduce air quality; noise from trucks, railroad and aircrafts would disturb wildlife; traditional routes of caribou and musk ox may be interfered with; the potential would exist for damage to monument terrain and harassment of monument wildlife from illegal use of off-road vehicles; the potential disturbance of nesting peregine falcons,

rough-legged hawks, and golden eagles would increase; and siltation of streams in the monument from gravel mining would decrease water quality of the area.

In short, Defenders firmly beleives that the 94,000 acres of monument lands should not be traded for the sole purpose of developing areas of wildlife habitat which would otherwise be protected as Monument lands. (See map 2.) Maintaining the integrity of the Monument and all conservation system units, whether Alaska in or any other state is important to the future of these Congressionally designated areas. The national park system areas and other conservation system units in Alaska should not be short changed especially when feasible alternatives to this land exchange exist. If a similar proposal was brought forth for other national parklands such as Yellowstone or Yosemite we believe it would be unacceptable.

There are other pratical reasons for opposing the land exchange. First and foremost is the need for a comprehensive transportation plan for that region of Alaska. The LiK and SU deposits located northwest of the Red Dog mine are also slated for development yet this legislation fails to take in any other development besides the Red Dog Mine. On November 10, 1985 an article in the Anchorage Daily News described the LiK deposit as "among the largest in the country." Defenders believes strongly that because of the wildlife values of the area and fragility of the lands there should be one comprehensive transportation system to service this region: one access corridor and one port site.

The broader picture should be looked at rather than just the Red Dog Mine. In 1981 a study by the State of Alaska identified

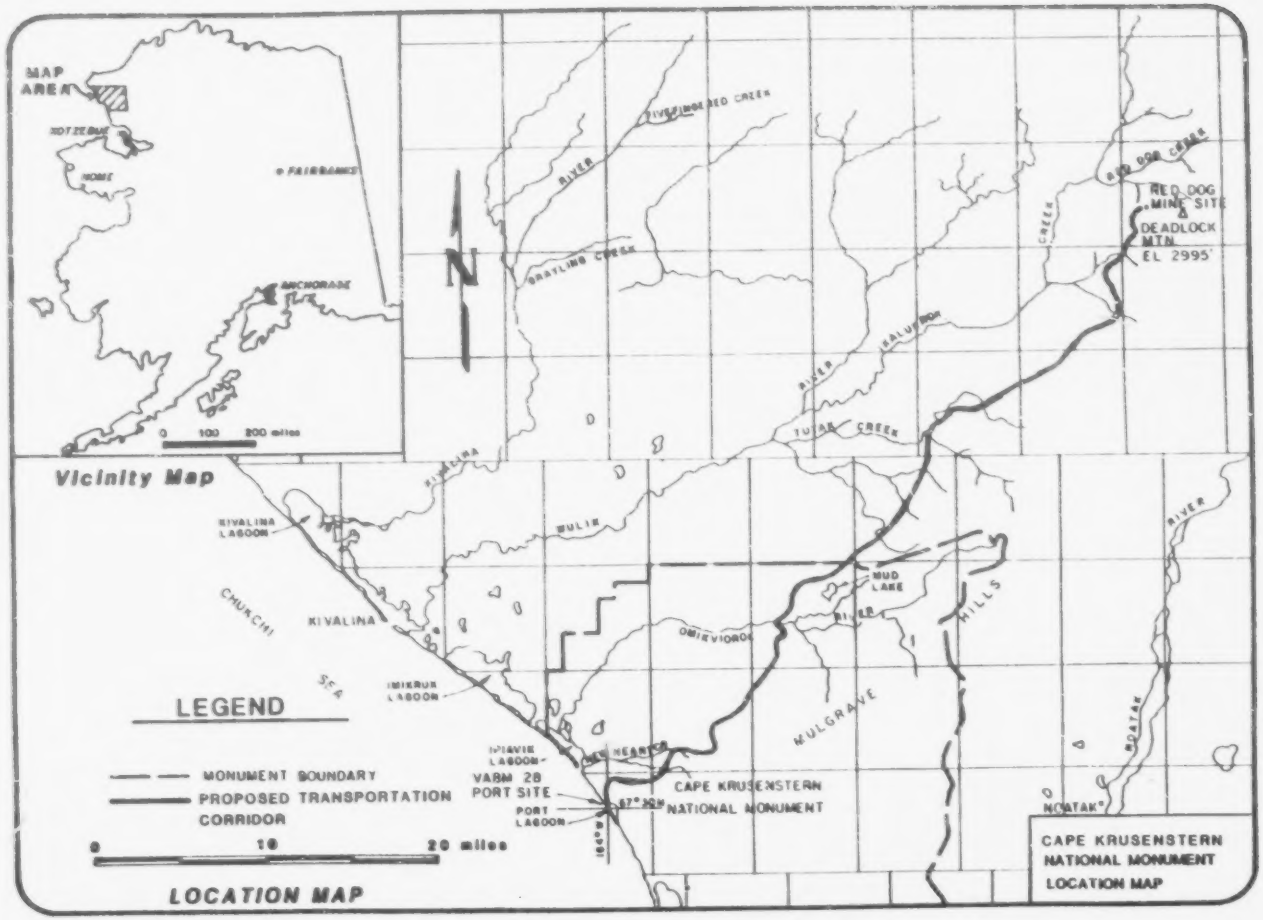
a transportation corridor and port for mineral development that is north of Cape Kursenstern National Monument. (See map 3 for northern routes.) Defenders believes that this should be looked at more carefully.

If the Monument lands are exchanged out of the Park System to accomodate development what guarantee is there that a road to the north would not be developed in the future? There is no guarantee. The lands north of the Monument boundary are state and private lands which currently have no protection and are subject to state land disposal, private development, mining claims and transportation development among other things. These lands would not be afforded any protection or guarantee for non-development under the proposed legislation. In the future, when mining develops in the western DeLong Mountains, such as the LiK and SU deposits, a northern may <u>also</u> be developed.

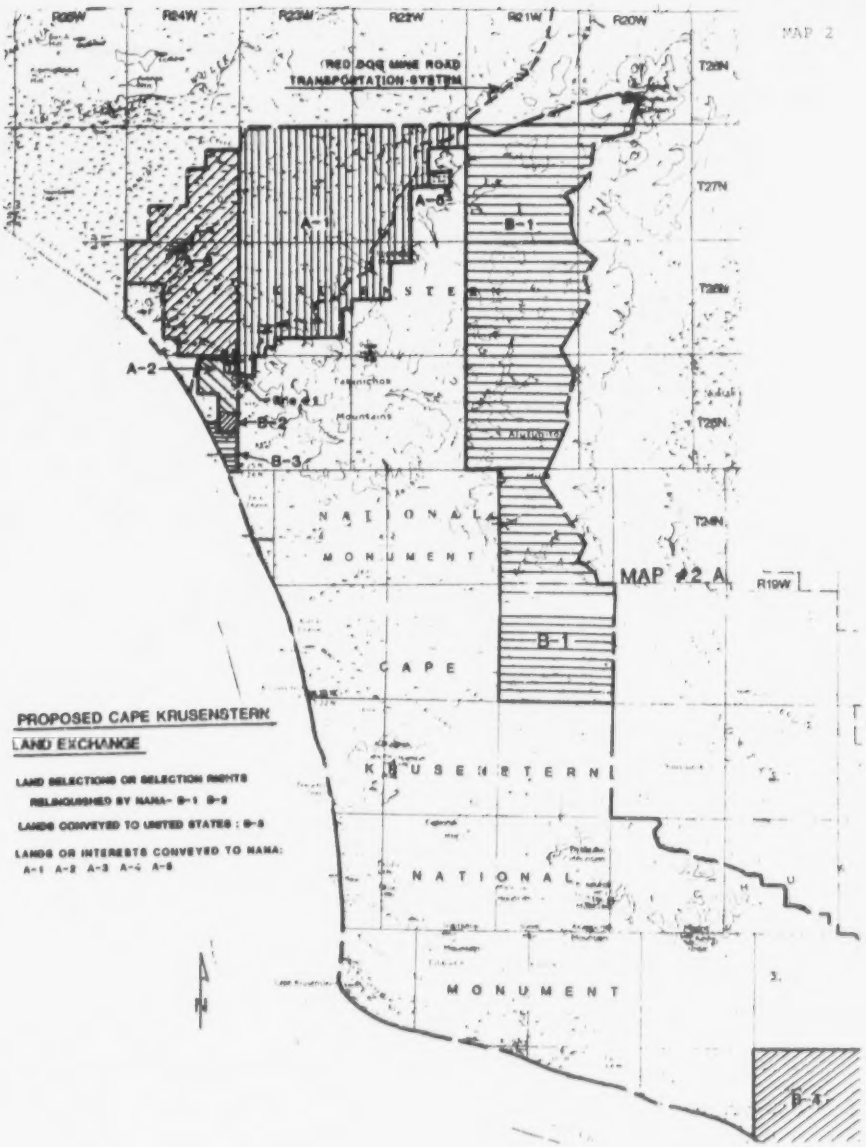
Furthermore, Defenders believes that an assessment of the value of the lands to be traded, including the values of minerals, such as gravel, on those lands, should be completed. The current proposal is often stated in terms of acreage: National Park Service to give up 94,000 acres in return for 1300 acres of patented land, 105,000 acres of selection applications (of which The Department of the Interior believes 38,000 acres would "likely" not be taken to patent and thus drop into the Monument in the future) and covenants on 11,000 acres of inholdings. Yet little is said about the value of the lands to be exchanged, the gravel and wildlife found there, or the possibility of future development over taking place in the

areas to be exchanged to the park service. A complete assessment would help to clarify other problems with the proposal. Defenders believes that these questions need to be answered and an Environmental Impact Statement, at the very least, should fully evaluating the land exchange before any further action is taken.

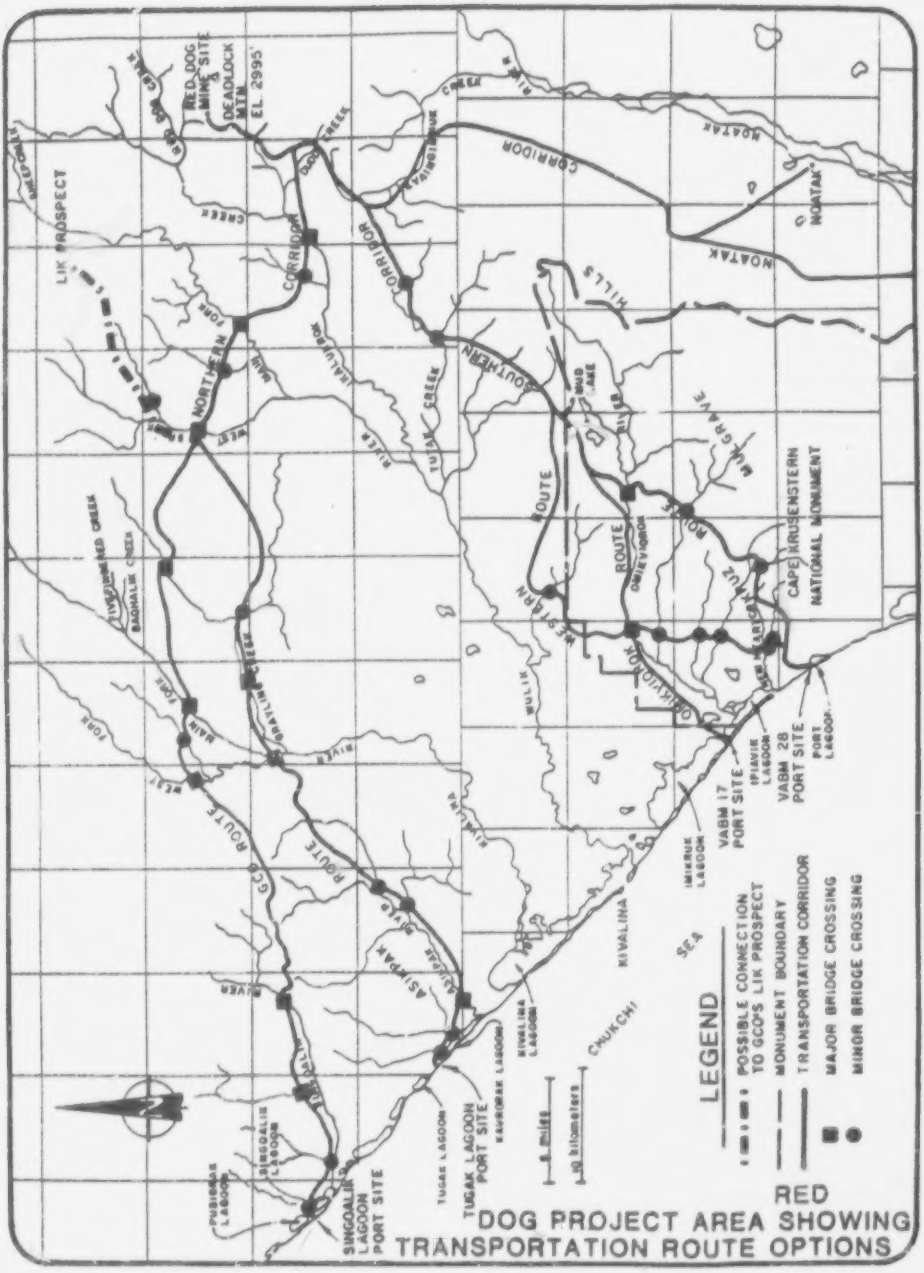
In sum, Defenders believes, for both philosophical and practical reasons, that the land exchange proposed by S.444 is bad public policy. We believe many questions need to be answered and recommend that a complete analysis of both the current and future needs of the humans and wildlife of the area be completed and assessed to determine where and how a port site and transportation system should be located.


MAP AREA
KOTZEBUE
NOME
FAIRBANKS
ANCHORAGE
0 100 200 miles
Vicinity Map
N
RED DOG MINE SITE
DEADLOCK MTN
EL 2995'
KIVALINA LAGOON
CHUKCHI SEA
KIVALINA
IMIKRUK LAGOON
IKPAVIK LAGOON
WAKEA
VABM 28
PORT SITE
PORT LAGOON
CAPE KRUSENSTERN NATIONAL MONUMENT
MUD LAKE
HILLS
MULGRAVE
NOATAK
LEGEND
MONUMENT BOUNDARY
PROPOSED TRANSPORTATION CORRIDOR
0 10 20 miles
LOCATION MAP
CAPE KRUSENSTERN NATIONAL MONUMENT LOCATION MAP

MAP 1


R25W
R24W
R23W
R22W
R21W
R20W
MAP 2
RED DOG MINE ROAD
TRANSPORTATION SYSTEM
T28N
T27N
T26N
T25N
T24N
A-1
A-2
A-3
A-4
A-5
B-1
B-2
B-3
Mountains
NATIONAL
MONUMENT
MAP #2A
R19W
CAPE
KRUSENSTERN
NATIONAL
MONUMENT
B-4
PROPOSED CAPE KRUSENSTERN
LAND EXCHANGE
LAND SELECTIONS OR SELECTION RIGHTS
RELINQUISHED BY NANA- B-1 B-2
LANDS CONVEYED TO UNITED STATES : B-3
LANDS OR INTERESTS CONVEYED TO NANA:
A-1 A-2 A-3 A-4 A-5

MAP 3


RED DOG MINE SITE
DEADLOCK ELEV. 2995'
LIK PROSPECT
CORRIDOR
NORTHERN ROUTE
SOUTHERN ROUTE
NOATAK
HILLS
CAPE KRUSENSTERN NATIONAL MONUMENT
VABM 17 PORT SITE
VABM 28 PORT SITE
IPIAVIK LAGOON
IMIKRUK LAGOON
RIVALINA LAGOON
TUGAK LAGOON PORT SITE
SINGOALIK LAGOON PORT SITE
PUSPIRAK LAGOON
SEA
CHUKCHI
LEGEND
POSSIBLE CONNECTION TO GCO'S LIK PROSPECT
MONUMENT BOUNDARY
TRANSPORTATION CORRIDOR
MAJOR BRIDGE CROSSING
MINOR BRIDGE CROSSING
RED DOG PROJECT AREA SHOWING TRANSPORTATION ROUTE OPTIONS

Senator MURKOWSKI. Thank you. There seems to be some concern over your contention that the 94,000 acres in fact is representative of the best interests of the National Park Service, because in your testimony you claim, along with the loss of 94,000 acres of parkland, that I think it appropriate that from the standpoint of the record it be understood that the United States would receive from NANA conveyance of 113,045 acres of coastal land, and relinquishment and selection rights to approximately 103,338 acres within the monument, and a grant in perpetuity of an easement and public use and occupancy rights for a 5-acre administrative tract on the Onion Portage Archeological District of the Kobuk Valley National Park, and equitable servitudes and conservation easements for the protection and study of resource values on 10,942 acres of land near Sheshalik. That's an important cultural resource area. And lastly, interest and easement for the protection and study of resource values within the 65,274 acre block which would be crossed by the Red Dog mine road. These include protections which are essential, and the same as would be attached to an improved title XI right-of-way and trail easements provided for the public access across NANA lands to the monument land.

I assume that it's still your contention that this is not an equitable exchange?

Ms. SKILBRED. Right. I understand that there is an exchange going on. Also, in conversations with the Park Service employees, I have been led to believe that there are several of the overselections, approximately 30,000 acres I believe, that may not be selected and conveyed to any of either the NANA Regional Corporation or any of the other native organizations.

So I did not bring in the amount of numbers for their side.

Senator MURKOWSKI. Well, if you care to submit them, the record will be open for 2 weeks, because obviously there's——

Ms. SKILBRED. But there's also another problem that Defenders has, which is taking lands out of the monument, I believe I conditioned it every single time, specifically for development, and trading in lands that are not slated for development we are in essence giving up lands knowing that they will be developed, and that there will be impacts on the wildlife and the habitat found there. And Defenders does not believe that that is an equitable exchange. I know there are differences.

Senator MURKOWSKI. Well, you say you're not opposed to the timely development of the Red Dog mine.

Ms. SKILBRED. Right.

Senator MURKOWSKI. But then you imply you're against development.

Ms. SKILBRED. No, I not only imply but state that we're against development of the transportation corridor through what is now lands that are in the monument.

Senator MURKOWSKI. Even though there's an exchange of more lands——

Ms. SKILBRED. Yeah, even though——

Senator MURKOWSKI [continuing]. Which would add to the monument?

Ms. SKILBRED. Exactly.

Senator MURKOWSKI. So——

Ms. SKILBRED. I must confess that in looking at the numbers of how many lands are going to be exchanged, after having talked with Park Service personnel who say that about 30,000 would not—or probably will not be selected and conveyed, I'm not sure that those numbers actually balance out to be more in favor.

Senator MURKOWSKI. I don't know why it would be the option of the Park Service personnel to have any degree of expertise in what would be selected or not selected.

Ms. SKILBRED. I agree, but——

Senator MURKOWSKI. But I guess that's neither here nor there. You've examined the environmental impact statement?

Ms. SKILBRED. Yes, I have, to some extent. I must confess that I haven't——

Senator MURKOWSKI. You must confess you haven't what?

Ms. SKILBRED [continuing]. Detailed. I haven't written any comments on it, which usually involves more in detail.

Senator MURKOWSKI. Have Defenders of the Wildlife visited the northern and southern route?

Ms. SKILBRED. Yes; I have. Harry Noe with Cominco took me up there last summer. Again, we got to Kotzebue and they kindly took us out and showed us both routes.

Senator MURKOWSKI. And you prefer the northern route?

Ms. SKILBRED. I think that at this point I definitely have to say that we're going on the principle of taking the lands out. I'm not a biologist, and so looking at the two routes, they both cross streams, they both seem to have impacts on the land no matter which way the road would go, and Defenders sticks with the contention that we shouldn't put lands out, or take lands out of a conservation system unit knowing that they're going to be developed. I mean, the roads to the north may be developed in the future.

Senator MURKOWSKI. Well, you say knowing they're going to be developed? There's a proposal to put a road through either the northern or the southern, and one routes the road through a portion of Krusenstern, and the other doesn't. But my question is, does Defenders of the Wildlife have a position on the northern route?

Ms. SKILBRED. Well, I've not taken a formal position, nor has Defenders, but in looking at where the Lik prospect is located, and where Red Dog is located, if the Lik is supposed to join up with the Red Dog corridor, then in the maps that I've seen from the EIS, it crosses both the Wulik, or the Wulik drainage and some of the Kivalina drainage. So that is——

Senator MURKOWSKI. But you're talking about the coal development now.

Ms. SKILBRED. The Lik? No, I believe it's a link——

Senator MURKOWSKI. That's the other mine by Noranda?

Ms. SKILBRED. Right.

Senator MURKOWSKI. Well, of course, that is not really the issue before the committee. It's the northern or southern, and the recommendation of the environmental impact statement is all that we have to go by, and the testimony which is pending——

Ms. SKILBRED. That's one——

Senator MURKOWSKI. And my question to you is specifically: Do you have a position on the two routes?

Ms. SKILBRED. That's one of the problems that Defenders identifies, is that it is not taking into account a comprehensive transportation system. If these other areas are going to be developed and a road corridor joining them——

Senator MURKOWSKI. I don't know how you can necessarily make that contention, because we have a letter which is entered into the record by Noranda saying that they would intend to use the same route——

Ms. SKILBRED. Exactly, in order——

Senator MURKOWSKI [continuing]. Which is the southern route.

Ms. SKILBRED. In order to get from the Lik mine to the southern route, they are going to have to cross the upper drainage of the Wulik River. So, they will have to cross some of the more environmentally sensitive areas, anyway, is our contention.

Senator MURKOWSKI. Well, how far is that road connection supposedly going to be?

Ms. SKILBRED. I'm not sure of the mileage of it. I just am going by what the EIS, a map that the EIS had in it.

Senator MURKOWSKI. OK, well, I'm going to ask one more time. If you have any—since we're only looking in this hearing at the northern and southern route, and we're only looking at the Red Dog proposal, because that's the only thing before us, if Defenders of the Wildlife have a specific recommendation on the two proposals or not?

Ms. SKILBRED. We would have to recommend that we cannot go with the southern route, unless a comprehensive transportation system is put in front of Congress. We cannot——

Senator MURKOWSKI. And you do not recommend the northern route, either?

Ms. SKILBRED. At this point, no.

Senator MURKOWSKI. And would you clarify one more time for me, the fact is that you support the development project itself——

Ms. SKILBRED. Right.

Senator MURKOWSKI [continuing]. But you object to the proposed way in which the exchange has been outlined, namely that it does involve an exchange of national monument land?

Ms. SKILBRED. Right; and that it does not look at a comprehensive system for the servicing of that whole area.

Senator MURKOWSKI. Well, I don't know how you can necessarily come to that conclusion, when we would recognize that this is a concept of a corridor, that originally there had been a corridor proposed; that corridor is not suitable for various reasons, and the contention that this necessarily is not to serve the purpose of a corridor is something that frankly escapes me, because I think the economics would dictate that if there is any other mineral development in the area, it would prove to be the most economic as well as environmentally compatible proposal to use whatever route is selected, if indeed there is one selected.

Thank you. I would move on to whomever is next, either Mr. Hession or Mr. Snodgrass.

STATEMENT OF RANDY SNODGRASS, ALASKA PROGRAM DIRECTOR, THE WILDERNESS SOCIETY

Mr. SNODGRASS. Thank you, Mr. Chairman. I am Randy Snodgrass, director of Alaska Programs for the Wilderness Society.

The Wilderness Society's long history of involvement in and concern for Alaska stems from its founding in 1935 by Robert Marshall, one of the early explorers of the Brooks Range. With over 136,000 members nationwide, the Society is dedicated to the preservation of wilderness and the wise management of the Federal public lands.

The Wilderness Society appreciates the opportunity to testify today on S. 444 regarding an exchange of lands in the Cape Krusenstern National Monument to allow construction of a mine access road. The Wilderness Society would like to clarify at the outset that it is not opposed to the development of the Red Dog mine or other prospects in the area.

The society recognizes the need for a well-planned transportation system. Furthermore, we would like to commend NANA and Cominco for their efforts to communicate with the many parties concerned with the future of the Cape Krusenstern National Monument and northwestern Alaska. Nevertheless, the Wilderness Society is adamantly opposed to the legislation and to the land exchange.

The proposal before you today is not the way to achieve appropriate development goals. The intrusion of a road and industrial facilities in the monument would be contrary to the public interest. There are other economically feasible and prudent alternatives outside these national interest lands that were not adequately considered either in the narrowly drawn environmental impact statement or in the broader context of planning for a regional transportation system.

The Cape Krusenstern National Monument is the longest stretch of fully protected arctic coastline. The area provides habitat to numerous species of wildlife, contain significant archaeological sites, and is important for subsistence. In addition, the recently issued draft general management plan for the monument identifies it in its entirety as suitable for addition to the national wilderness preservation system.

The presence of the road would be incompatible with one of the specific stated purposes of this monument: To protect fish and wildlife populations, and with the overall park mandate to conserve the scenery and the natural and historic objects and the wildlife therein, and to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the enjoyment of future generations.

In enacting the Alaska National Interests Lands and Conservation Act of 1980, Congress recognized the values of the Cape Krusenstern area by establishing it as a national monument. The monument boundary, which was carefully designed by National Park Service planners to maintain topographic integrity, should not be altered when reasonable alternatives exist.

The environmental impact statement on the Red Dog mine project failed to address the land exchange itself or the impacts it

would have on the national monument. Furthermore, no EIS was prepared on the exchange—merely a public interest determination and a resource evaluation, the substance of which was taken largely from the project EIS. Hence, there has been no meaningful public involvement in the proposed exchange.

The agreement between NANA and the National Park Service does not serve the best interests of the public. In exchange for losing a portion of the national monument, the Park Service would receive lands, most of which are not vital to the integrity of the park, or which probably would not be conveyed out of Federal ownership. As was in the case of the St. Matthew Island exchange recently declared invalid by a Federal court, the other lands and interests therein to be gained are simply not enough to warrant construction of a major transportation facility within the unit.

The case against the trade is further strengthened when one considers the degradation much of the monument will suffer from the development. The presence of gravel pits and rock quarries inside the park boundary, as has been recommended by the final environmental impact statement, would dramatically increase the adverse effects of the proposed road.

The National Park Service has rejected a proposal from Cominco to realign the road in closer proximity to Mud Lake because of the lake's high quality habitat for waterfowl and other birds, including peregrine falcons, its overall sensitivity, and its scenic value.

Nevertheless, the National Park Service would allow temporary use of a nearby borrow site, though they acknowledge the possibility that the excavation could partially drain Mud Lake. This development would present at least as serious a threat to Mud Lake as the rejected road realignment, including greater ease of access to the lake. It is also highly unlikely that a productive gravel pit would be used only temporarily. The result will be a long-lasting scar on the monument, as the road itself and the taking of gravel from inside the national monument is inappropriate.

There was a noticeably higher degree of information available in the EIS regarding the southern route than for the northern routes. In fact, the draft EIS didn't even identify potential gravel borrow sites along the northern route. This imbalance in the level of detail available on each route skews the outcome of the EIS toward the Cape Krusenstern route.

The northern route would cost approximately $50 million more than the southern, assuming that the gravel would be taken from inside the monument. However, if the gravel were taken from outside the monument as it should be, suddenly that cost differential shrinks to approximately $10 million, a mere 8 percent difference between the cost of the two routes.

Nowhere are either of these figures considered in light of the cost to the monument; $10 million over the life of Red Dog and all the other prospective mines in the northwestern part of Alaska likely to benefit from using these facilities is simply not enough to justify a major intrusion into a national monument.

No thorough regional transportation planning has taken place in the context of this proposal, nor has there been adequate analysis of all the environmental consequences that will ensue from the extensive mineral development expected to occur in the highly min-

eralized western Brooks Range-De Long Mountains area. There should be only one transportation corridor and port to service all the anticipated activities in the region.

The present State administration has declared that there will be only one road and port for the western Brooks Range-De Long Mountains area, and the environmental impact statement accepts this premise. But there is no guarantee that a future State administration will not reverse this decision under pressure from other developers who might want to build a second corridor and port on the State lands north of the monument. In this context, it is important to note that the presence of more than one transportation system would exponentially increase all the adverse impacts on the land and on the wildlife it supports.

Therefore, it is imperative that this possible eventuality be carefully considered, and that the location of the facilities be examined in a much broader and longer term context.

A major omission in the planning process is the probable growth of the port facilities from the eventual increased development. The effects of the port facilities are downplayed by relating them only to the needs of the Red Dog mine, but the port is intended to serve the region, not just one mine. The result will be a major facility which, if this legislation is enacted, will lie cheek-by-jowl with the national monument. A major industrial port and nearby 80-foot tall warehouse adjoining a unit of the national park system is wholly inappropriate.

The lack of comprehensive planning is a fatal flaw in the Cape Krusenstern road proposal, particularly in light of adverse impacts on the monument that will accompany such increased development. These serious adverse impacts on the monument, including increased noise, air traffic, greater ease of access, and the deletion of important wildlife habitat could jeopardize many of the values Congress sought to preserve in designating the Cape Krusenstern National Monument.

The careful consideration due a decision of this magnitude has not taken place, and thus this intrusion into the national monument cannot be justified.

It is important to reiterate that the Wilderness Society does not oppose the development of the Red Dog mine or the construction of a transportation system from the mine to the coast. We adamantly oppose the routing of the transportation corridor through Cape Krusenstern National Monument. This is not the only economically feasible or prudent route. The route would adversely affect the purposes for which the monument was established. It would significantly alter the purposely drawn boundaries on the northern side of the park, and have serious adverse impacts on the remaining monument lands.

In addition, this route would significantly affect the de facto wilderness which has been identified by the National Park Service as being suitable for addition to the national wilderness preservation system. We have determined that the project EIS is woefully inadequate in addressing the detrimental effects of the transportation corridor and the proposed land exchange on the national monument.

Furthermore, the EIS does not fairly compare the costs or environmental consequences of the monument route with the more northern route. Thus, the EIS is skewed toward the route through the monument. The Wilderness Society believes that the route through the national monument is unjustified and insensitive to the purposes for which the park was established. It is, therefore, not in the short or long-term public benefit.

We recommend that Congress insist that the scope of this document be much broader, and that the approach taken be one of regional transportation planning. One well thought out environmentally sensitive route outside the national monument will better serve all the development interests in northwest Alaska and other publics. Thank you.

[The prepared statement of Mr. Snodgrass follows:]

THE WILDERNESS SOCIETY

STATEMENT OF RANDY SNODGRASS, ALASKA PROGRAM DIRECTOR, THE WILDERNESS SOCIETY, BEFORE THE PUBLIC LANDS AND RESERVED WATER SUBCOMMITTEE OF THE SENATE ENERGY AND NATURAL RESOURCES COMMITTEE, ON S.444, APRIL 29, 1985.

Mr. Chairman, I am Randy Snodgrass, Director of Alaska Programs for The Wilderness Society. The Wilderness Society's long history of involvement in and concern for Alaska stems from its founding in 1935 by Robert Marshall, one of the early explorers of the Brooks Range. With over 136,000 members nationwide, the Society is dedicated to the preservation of wilderness and the wise management of the federal public lands. The Wilderness Society appreciates the opportunity to testify today on S.444 regarding an exchange of lands in the Cape Krusenstern National Monument to allow construction of a mine access road.

The Wilderness Society would like to clarify at the outset that it is not opposed to the development of the Red Dog mine or other prospects in the area. The Society recognizes the need for the kind of transportation system being proposed. Furthermore, we would like to commend NANA and Cominco for their efforts to communicate with the many parties concerned with the future of the Cape Krusenstern National Monument and northwestern Alaska. Nevertheless The

Wilderness Society is adamantly opposed to the legislation and to the land exchange. The proposal before you today is not the way to achieve those goals.

The intrusion of a road and industrial facilities in the monument would be contrary to the public interest. There are other economically feasible and prudent alternatives outside these national interest lands that were not adequately considered either in the narrowly drawn environmental impact statement (EIS) or in the broader context of planning for a regional transportation system.

The Cape Krusenstern National Monument is the longest stretch of fully protected Arctic coastline. The area provides habitat to numerous species of wildlife, contains significant archaeological sites and is important for subsistence. In addition, the recently issued draft general management plan for the monument identifies it, in its entirety, as suitable for addition to the National Wilderness Preservation System. The presence of the road would be incompatible with one of the specific stated purposes of this monument, to protect fish and wildlife populations, and with the overall park mandate:

> to conserve the scenery and the natural and historic objects and the wild life therein and to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the enjoyment of future generations. (National Park System Organic Act, 16 U.S.C. 1, August 25, 1916)

In enacting the Alaska National Interest Lands Conservation Act of 1980 (ANILCA), Congress recognized the special

values of the Cape Krusenstern area by establishing it as a national monument, a unit of the National Park System. The monument boundary--which was carefully designed by NPS planners to maintain topographic integrity--should not be altered when reasonable alternatives exist.

With monument designation came numerous limits on the uses allowed in the area: restrictions that have developed with the evolution of the National Park System since Yellowstone National Park was established in 1872. A critical element of the system is its prohibition on commercial uses in the parks, except for those that promote park purposes. There is no question that a road, and later a railroad, to provide access to a mine and a related port facility, that will eventually be greatly expanded, are simply not consistent with park or monument purposes.

The Inadequacy of the Environmental Review

The environmental impact statement on the Red Dog Mine Project failed to address the land exchange itself or the impacts it would have on the national monument. Furthermore, no EIS was prepared on the exchange, merely a "Public Interest Determination" and a "Resource Evaluation," the substance of which was taken largely from the project EIS. Hence there was no meaningful public involvement in the exchange itself. What the EIS did review was the ANILCA Title XI application. Title XI provides for Congressional review of an application only for a transportation system in

a conservation system unit, not for the conveyance of lands. It is up to Congress to grant or deny the application. In other words, the EIS discussed neither the impacts of the removal of a portion of the national monument from federal ownership, nor the ramifications of that loss on the remainder of the monument. The document overlooked the considerable difference between a transportation route within the control of the National Park Service (NPS) and a road across private lands over which the NPS has little authority.

The agreement between NANA and the National Park Service does not serve the best interests of the public. In exchange for losing a portion of the national monument, the Park Service would receive lands most of which are either, not vital to the integrity of the park, or which probably would not be conveyed out of federal ownership. As was the case in the St. Matthew Island exchange, recently declared invalid by a federal court, the other lands and interests therein to be gained are simply not enough to warrant the construction of a major transportation facility within the unit. The case against the trade is further strengthened when one considers the serious degradation much of the monument will suffer from the development.

There was also no analysis of the development that could occur on the exchanged lands either in conjunction with the Red Dog project, such as the extraction of sand and gravel from within the monument boundary, or of the

possibility of other development of the area in the future. Where the gravel should come from is a question of major environmental proportions. The borrow sites inside the monument will impair the scenic value of the unit, and the related activity will adversely affect wildlife.

The presence of gravel pits and rock quarries inside the park boundary would dramatically increase the adverse effects of the proposed road. The NPS has rejected a proposal from Cominco to realign the road in closer proximity to Mud Lake because of the lake's high quality habitat for waterfowl and other birds, including peregrine falcons, its overall sensitivity, and its scenic value. Nevertheless the NPS would allow "temporary" use of a nearby borrow site, though they acknowledge the possibility that the excavation could partially drain Mud Lake. This development would present at least as serious a threat to Mud Lake as the rejected road realignment, including greater ease of access to the lake. It is also highly unlikely that a productive gravel pit would be used only temporarily. The result will be a longlasting scar on the monument. As the road itself, the taking of gravel from inside a national monument is inappropriate.

The EIS is not an analytical document from which an optimal decision can be drawn, but rather a justification for a conclusion reached prior to the process. Moreover the methodology used forces the reader to that pre-determined decision, i.e. to use the Cape Krusenstern route. The

methodology employed is a system of comparing relative impacts rather than considering absolute impacts. Hence what may in fact be a negligible difference in impacts may appear to be significant on the "low/moderate/high" impact continuum used in the EIS. The resulting conclusions can be very misleading.

There is also a noticeably higher degree of information available regarding the southern route than for the northern routes. In fact the draft EIS did not even identify potential gravel borrow sites along the northern route. The final EIS seems to indicate every possible site without analyzing their realistic potential for use. This raw data, that fails to indicate volumes, sizes or anticipated depths of the sites, is almost as useless as having none at all. The EIS even states that the "information is not as well developed for the northern corridor" (p. II-18). This statement could accurately be applied to the entire EIS which clearly demonstrates that far more information was gathered for the southern route than for the northern. This imbalance in the level of detail available on each route skews the outcome of the EIS toward the Cape Krusenstern route.

The Economics of the Corridor

A major argument advanced in favor of the monument route is an economic one: the northern route would cost about $50 million more than the southern, assuming that

gravel would be taken from inside the monument. However if the gravel were taken from outside the monument, as it should be if this route is constructed, suddenly that cost differential shrinks to approximately $10 million--a mere 8% increase. Nowhere are either of these figures considered in light of the cost to the monument. Ten million dollars over the life of Red Dog and all the other prospective mines in the northwestern part of Alaska likely to benefit from use of these facilities is simply not enough to justify a major intrusion into a national monument.

The Lack of Regional Transportation Planning

No thorough regional transportation planning has taken place in the context of this proposal, nor has there been an adequate analysis of all the environmental consequences that will ensue from the extensive mineral development expected to occur in the highly mineralized western Brooks Range/De Long Mountains area. There should be only one transportation corridor and port to service all the anticipated activities in the region. The present State administration has declared that there will be only one road and port for the western Brooks Range/De Long Mountains area and the EIS accepts this premise But, there is no guarantee that a future State administration will not reverse this decision under pressure from other developers who might want to build a second corridor and port on the state lands north of the monument. In this context, it is

important to note that the presence of more than one transportation system would exponentially increase all the adverse impacts on the land and on the wildlife it supports. Therefore it is imperative that this possible eventuality be carefully considered, and the location of the facilities be examined in a much broader and longer term context.

Recently GCO Minerals, which has numerous claims in northwestern Alaska, announced that they have a major deposit at Lik, just 12 miles northwest of the Red Dog mine site, contiguous to the other known sizable deposit at Su. GCO's stated intent is to hook into the Red Dog road and port wherever it is ultimately located. The project EIS acknowledges the existence of the Lik deposit and that its economic feasibility and development plans "might be affected" by the Red Dog transportation facilities (page V-88). The EIS goes on to state that construction of a road into the De Long Mountains "could be an important stimulus" to smaller mining operations, especially placer gold (page V-89). While recognizing that the existence of the road could promote development of these deposits, the EIS fails to consider their environmental impacts, such as from increased traffic on the road.

The western Brooks Range north of Red Dog is known to hold massive coal deposits. The State's Division of Geological and Geophysical Survey estimates perhaps a trillion tons of recoverable coal. The EIS contains a significant contradiction regarding the relationship between

the coal and the road. On the one hand the EIS states that "there would be a relatively low probability that future decisions about coal development would be significantly influenced by the Red Dog project" (page V-89). On the other hand, it reports that the Morgan Coal Company is in the early stages of considering development of a coal field 20 miles east of Point Lay, and the company has expressed interest in using the Red Dog facilities. In other words, contrary to the general statement in the EIS, the siting of the facilities, especially the port, does appear likely to play a significant role in potential coal development. Nevertheless, though the EIS pays lip service to the regional perspective, a thorough regional approach has not been taken in planning for this transportation corridor/development funnel.

Another major omission in the planning process is the probable growth of the port facilities from the eventual increased development. The effects of the port facilities are downplayed by relating them only to the needs of the Red Dog mine, but the port is intended to serve the region, not just one mine. The result will be a major facility which, if this legislation is enacted, will lie cheek by jowl with a national monument. A major industrial port and nearby eighty foot tall warehouse adjoining a unit of the National Park System is wholly inappropriate.

The lack of comprehensive planning is a fatal flaw in the Cape Krusenstern road proposal, particularly in light of

the adverse impacts on the monument that will accompany such increased development. The EIS discusses the impacts in one brief paragraph that bears repeating in its entirety:

> If construction of a road and port for the Red Dog project does promote development of other industrial resource projects in the region, their incremental impacts would raise the ultimate overall impacts from initial development of Red Dog. Dust and noise pollution from increased use of the road, and its extensions, could additionally impact vegetation, caribou and other wildlife, and recreational users. Likewise, increased use of the port facilities would likely result in additional vessel traffic with a higher possibility of spills and effects on marine mammals. Other developments would impact visual resources and wilderness values, and could cumulatively affect the existing subsistence uses and historical lifestyles of local residents. (page V-89)

These serious adverse impacts on the monument, including increased noise, air traffic and greater ease of access, could jeopardize the very values Congress sought to preserve in designating the Cape Krusenstern National Monument. The careful consideration due a decision of this magnitude has not taken place and thus this intrusion into the national monument cannot be justified.

Conclusion

It is important to reitterate that The Wilderness Society does not oppose the development of the Red Dog mine or the contruction of a transportation system from the mine to the coast. We adamantly oppose the routing of the transportation corridor through Cape Krusenstern National Monument. This is not the only economically feasible or

prudent route. The route would effect the purposes for which the monument was established. It would significantly alter the purposely drawn boundaries on the northern side of the park. In addition, this route would significantly affect the defacto wilderness which has been identified by the NPS as being suitable for addition to the National Wilderness Preservation System.

We have determined that the project EIS is woefully inadequate in addressing the detrimental affects of the transporation corridor and the proposed land exchange on the national monument. Furthermore, the EIS does not fairly compare the costs or environmental consequences of a more northern route. Thus, the EIS is skewed towards the route through the monument.

The Wilderness Society believes that the route through the national monument is unjustified and insensitive to the purposes for which the park was established. It is therefore not in the short or long-term public benefit.

Senator MURKOWSKI. Thank you very much, Mr. Snodgrass. I am wondering. Have you or the Wilderness Society testified on behalf of any resource development in Alaska?

Mr. SNODGRASS. I have only been on this job for 3 weeks, so may I get back to the committee with a written——

Senator MURKOWSKI. The record will remain open for a couple of weeks.

Mr. SNODGRASS. Thank you.

[Subsequent to the hearing Mr. Snodgrass submitted the following:]

THE WILDERNESS SOCIETY

May 9, 1985

Honorable Malcolm Wallop, Chairman
Public Lands Subcommittee
Energy & Natural Resources Committee
United States Senate
Washington, DC 20510

Dear Senator Wallop:

After I testified on behalf of The Wilderness Society at the hearing on S. 444 (Cape Krusenstern land exchange), Senator Murkowski asked if The Wilderness Society had ever supported any development in Alaska. To which I responded that I was new to this position and that I would reply in writing for the record. This letter constitutes that reply.

The Wilderness Society has always supported the sound development of Alaska's natural resources. Along with other member groups of the Alaska Coalition who endorsed the final version of ANILCA, The Wilderness Society supported mineral development at Red Dog, Green's Creek, and Quartz Hill. We reaffirmed our support for the development of the Red Dog mine in our written and oral statements at the hearing. In addition, we have long supported the Northwest Gas Pipeline route along the oil pipeline and out the Alcan Highway.

A question which was often asked during the hearing, but never adequately answered, is whether the northern route from Red Dog to the coast would be more environmentally damaging than the southern route through Cape Krusenstern National Monument. While the project EIS concludes that this is the case, the evidence presented in the document is not conclusive. For instance, one of the major concerns with the northern route is the frequency with which it must cross streams and rivers and thus its effects on fish populations. Senator Murkowski pointed out during the hearing that the northern route crosses 313 streams versus 187 for the southern route. However, careful study of the final EIS reveals that only 13 streams on the northern route versus 11 streams on the southern contain fish (pg. V-50-51). Furthermore, the document fails to point out that many of the same rivers and streams that the southern route would avoid, would be crossed in building a road to connect the proposed Lik and Su mines with the southern route to the coast.

The EIS also states that the northern route would pass by more nests of the endangered peregrine falcon than the southern route. Again, careful examination reveals that the northern route would pass within 2 miles of 4 known nests (pg. V-44) versus 3 (pg. V-41) for the southern route.

Although less precise, the document also compares the possible effects each route would have on caribou and its migration patterns. In the discussion of the potential impacts the two proposed routes would have on the caribou, the study makes the following observations:

Southern Route

> Indirect habitat loss would likely be significant for caribou on a local basis, and could even be of greater than local significance. The southern corridor passes between current primary caribou low tussock tundra winter range in the Wulik and Kivalina lowlands, and secondary winter range on the more wind-swept slopes of the Mulgrave Hills to the southeast (Fig. IV-5). Road activity would cause avoidance of the corridor, and hence displacement, thereby limiting to some extent the use of otherwise available winter habitat. There would also likely be some mortality due to vehicle collisions or added stress from winter traffic.
>
> Interruption of major movements would have the greatest potential impact upon caribou. In addition to affecting local movements, primarily during the winter, construction and operation of a road could cause major alterations in the historic movement patterns of the western Arctic caribou herd. From experience with other roads in Alaska, the approximately 20 to 25 vehicle round trips per day (excluding maintenance) associated just with the Red Dog project would be unlikely to cause such a major shift in movement patterns. (pg. V-41)

Northern Route

> Indirect habitat loss for caribou would be somewhat greater than for (the southern route) due to the greater length of the road. Chances of a significant interruption of historical caribou migration patterns would also be greater with the northern corridor road. Both the spring and early summer migrations would be more likely to encounter that road than the southern corridor road, with consequently greater risk of altering traditional routes. (pg. V-44)

Despite the lack of scientific data to support these opinions, this information is very disturbing and was not properly addressed at the hearing. Each route is potentially very harmful to the caribou and its seasonal migration, but there was no conclusive evidence that encountering the northern route during spring and summer migrations was any more harmful than encountering the southern route along the established winter feeding route.

Hon. Malcolm Wallop
May 9, 1985
Page Three

Thus, it is important for the committee to note that the EIS draws conclusions based on a comparison of the relative environmental impacts rather than the absolute or quanitative impacts. This flaw in the EIS seriously skews the conclusion toward the route through the monument without adequately addressing the effects this has on a pristine and congressionally protected unit of the National Park System. For the committee to now make a decision about which route is the least environmentally damaging based solely on this EIS, further exacerbates the problem--which is, (1) the study was inadequate and narrowly drawn; (2) there was no EIS prepared by the Department of Interior to determine the impacts of the proposed land exchange on the national monument; and (3) there was no comprehensive study of future transportation needs for northwest Alaska based on the best available information and the impending development of other mineralized areas (i.e. Lik, Su, and the coal fields to the north).

The Wilderness Society hopes that the committee recognizes these concerns and defers a decision on this legislation, S. 444, until this crucial information is made available.

Sincerely,

Randall D. Snodgrass

Randall D. Snodgrass
Program Director - Alaska
THE WILDERNESS SOCIETY

RDS/tp

Senator MURKOWSKI. Our next witness is Mr. Jack Hession of the Sierra Club.

Mr. HESSION. Thank you, Senator. I have a long statement here I'd like to submit for the record.

Senator MURKOWSKI. It will be entered into the record

STATEMENT OF JACK HESSION, ALASKA REPRESENTATIVE, THE SIERRA CLUB

Mr. HESSION. I would just talk briefly about three or four of the major points.

My name is Jack Hession. I'm the Alaska representative of the Sierra Club based on Anchorage. I would like to reiterate what Ms. Skilbred said about—and my colleague, Randy, here on the Red Dog project itself. We have as the Sierra Club no opposition to that project, provided it be done in an environmentally sound manner, and acknowledge the national interest in the protection and preservation of Cape Krusenstern National Monument.

Let me talk briefly about the land exchange itself. First, the economics, and then some of the environmental impacts.

On the economics, although there was no appraisal prepared for this one that I've seen from the Interior Department, using NANA's own appraisal of a couple of years ago, it appears that the tracts involved on a strictly real estate basis are about equal. I find that, using NANA's figures, that about $4.1 million worth of land

would go to the National Park Service, and about $5.4 to NANA. However, that's not the real issue here.

As Mr. Snodgrass indicated, by going through the monument and by having those lands on top of the monument route, Cominco calculates that there would be a total of $109 million over the life of the project, counting operating costs and initial construction costs. That's just Cominco, assuming what they have now at Red Dog, and does not take into account the Lik/Su deposits nor potential additional deposits at Red Dog, nor potential development elsewhere in the western De Long Mountains lead/zinc belt. That's the real issue here, Mr. Chairman.

Is the National Park Service driving a bargain on behalf of the public of the United States? Or is it accommodating the desires of Cominco for the most convenient and cheapest route to the coast? On the evidence presented, it appears that it's the latter.

As for the much-touted covenants that the Park Service would retain on the 94,000 acres at the north end of the monument, we've looked at those. They don't appear to be worth much at all. Essentially, it's an opportunity for the Park Service to jawbone Cominco as they develop their transportation corridor. If you look closely at the terms and conditions, you'll see that in order to enforce an agreement reached under this provision, the National Park Service would have to take whoever, Cominco or whoever, to court. That simply in our view is not a realistic way to go.

Let me then address the environmental impacts of this proposal. I think the main point I would like to make here is that there's been no environmental impact statement from the Department of the Interior on this land exchange. What we have, as Ms. Skilbred indicated, was this very superficial public interest determination and resource evaluation which, for all practical purposes, isn't very useful.

The question for this committee seems to me to be: Why no EIS from the Department of the Interior? We've heard a lot about the Red Dog EIS, Senator. That is almost irrelevant. The Red Dog EIS talks about a corridor through a monument. We're talking here about 94,000 acres being chopped off the northern end of a national park, or monument, same thing. Why haven't we been given an analysis of the impacts of that?

For the record, I'd like to also point out that the Park Service in participating in the Red Dog EIS was limited to the socioeconomic and archaeological information they had. They did not participate in the environmental impact analysis part of it.

I can't resist, also, Mr. Chairman, commenting on the Red Dog EIS and its methodology. Comparing the relative impacts of various components between the various routes, the authors then conclude that, for example, because more bridges are crossed to the north and less on the southern route, that therefore that argues in favor of going through the national monument, and so on down the line, 12 different components, some of which are insignificant, actually.

I don't think their conclusion follows at all, particularly in view of the fact that the lands to the north are State and private lands wide open to development at any time in the future. We've just heard this morning that in fact there's a proposal to bring coal

down from the Wainwright area—that's the Morgan Coal Co. proposal—which would involve at least a road, and perhaps a railroad, and there's even some consideration of a transmission line from a mine-mouth to service Red Dog, Lik, Su and whoever else develops the district.

If that's the case, essentially then what this committee is being asked to do, and what the Congress is being asked to do, is to give up completely protected national monument lands in order to protect lands to the north that are already scheduled for development. It simply does not make any sense.

In the absence of an EIS from the Department of Interior on this land exchange, let me briefly mention some of the impacts on the monument. I have been there. I have been on the ground. I don't claim to be an expert, but I do think I have a satisfactory acquaintance at least with the monument.

If these 94,000 acres go off the end of the monument, you're not only going to lose those 94,000 acres with some very valuable fish and wildlife wilderness and park values there, scenic values, you're also going to have obviously a tremendous impact on the remaining monument. You're going to have all the spillover effect from the haul road and from the later railroad, and then when all this other development in the western De Long Mountains funnels into the Red Dog transportation corridor, all those impacts will be intensified and prolonged.

We're talking decades—I think I've seen a figure of four or five decades for Red Dog alone. Imagine how long it's going to be when all these other developments phase in. So we're not just talking about a little thin strip through a national monument; we're talking about the loss of 94,000 acres, plus significant adverse effects on the remaining monument lands.

Now none of this has been thoroughly examined or explored by the Department of Interior. I think they should be asked to explain to this committee why they would not do such an analysis, which is ordinarily to be expected from them.

Let me move on to the, I think, the heart of this matter. That's the regional mineral picture. I would urge the committee to look at the implications of the announcement this spring of GCO, General Crude Oil, Houston Minerals, that at Lik they have a new discovery, North Lik. South Lik has been known for some time. I have attached a chart here from the State of Alaska showing that at Lik there's known reserve of 25 million tons. According to GCO, north Lik is now looking very promising, and they expect that additional drilling will reveal additional deposits of some magnitude.

Add to that Cominco's Su deposit, which is right next door. It's the same mountain. Cominco has never indicated to us what they have there. But the implications of this deposit, nationally significant, maybe worldclass, is that there's a desperate need for a regional planning effort with respect to the proper environmentally sound way of getting those ores out to the coast.

As Ms. Skilbred indicated, if Noranda, which is apparently now going to be involved in the Lik operation, or GCO, if they have to doubleback to Red Dog, they're going to be crossing major streams. It equalizes almost the stream-crossing argument.

Why not simply develop a transportation corridor that services not only Red Dog, but Lik, Su, and any other deposits that would be linking up in the future?

That brings me, Mr. Chairman, to title XI. As we all know, that was designed for the Congress' consideration of just the sort of projects we have here this morning. And yet, we don't have a title XI application before us. Cominco filed one about a year-and-a-half ago, but suddenly it got lost in the bowels of Interior and it has not emerged since. Why not? Why doesn't the Department of the Interior and Cominco come before this committee and try to demonstrate the superiority of their preferred route through the monument?

That's all we're asking. We participated in the drafting—we, I should say the Alaska Coalition and the Sierra Club—participated in the drafting of that transportation process, and yet it's never been tried. All we ask is that it be tried. And if it were to be attempted, I think the Congress would have the opportunity to look at all these various alternatives, to assess the different transportation economics, and to perhaps explore more closely the environmental aspects of this, for which, as I mentioned before, none yet exist.

In conclusion, Mr. Chairman, I think what we're facing here today is a request that the people of the Nation give up 94,000 acres of a national monument, a sublime national monument I may add, unique in the national park system, in order to attempt to protect nonmonument lands that are totally vulnerable to adverse development at any time in the future, including some developments we've heard about here this morning.

Again, I just don't think that makes sense, and the Sierra Club would strongly recommend that this committee reject the bill. Thank you very much.

[The prepared statement of Mr. Hession follows:]

SIERRA CLUB

330 Pennsylvania Avenue, S.E., Washington, D.C. 20003 (202) 547-1141

STATEMENT OF THE SIERRA CLUB
ON S.444, PROVIDING FOR A LAND EXCHANGE AT CAPE KRUSENSTERN
NATIONAL MONUMENT
Before the
SENATE ENERGY AND NATURAL RESOURCES COMMITTEE
WASHINGTON, D.C.
APRIL 29, 1985

Mr. Chairman and members of the Committee, I am Jack Hession, Alaska Representative of the Sierra Club. The Sierra Club is a national environmental organization of 360,000 members, including approximately 1600 members in our Alaska Chapter. Our members have had a strong interest in Alaska's public lands since the founding of the Sierra Club in 1892. Our organization played a leading role in the decade-long campaign of Alaska and national conservation groups to achieve passage of the Alaska Lands Act of 1980 (ANILCA), and we have continued to work on behalf of proper implementation of that historic Act.

Today we are here to defend a superb new national monument created in the Act just four and a half years ago. Cape Krusenstern National Monument (530,000 acres) was established in order to safeguard archaeological resources of international importance, marine mammal habitats, terrestrial wildlife and habitats, subsistence resources, and exceptionally scenic and diverse landscapes such as Cape Krusenstern itself and the ocean beach-lagoon-stream complexes. Unique in the entire national park system, the monument also encompasses the only fully protected segment of the U.S. Arctic coastline.

Now this splendid new unit is threatened by a land exchange designed for the convenience of a giant international mining corporation as it moves its ore to tidewater. Cominco of Canada, the world's largest producer of lead and zinc, in a joint venture with the NANA Native regional corporation, is developing the "world class" Red Dog lead-zinc deposit, and wants to build a haul road and later railroad across Cape Krusenstern National Monument to the coast.

S.444, which would ratify a land exchange agreement reached between the Interior Department and NANA, would give NANA the monument land and especially the sand, gravel, and quarry rock needed for the trans-monument transportation and utility corridor to the coast. The Sierra Club strongly objects to this proposed deletion of monument lands for industrial purposes.

Let me emphasize at the outset that in defending the integrity of Cape Krusenstern National Monument, we are not opposing the Red Dog mine project. Development of the mine could have positive economic and social benefits for the residents of the region, the state, and the nation, provided it is done in an environmentally sound manner and with due regard for the nation's interest in the continued protection of Cape Krusenstern National Monument.

The problem is that Cominco wants to take what for it is the shortest and least costly trans-monument route (Kruz; map 1), although there are alternative routes from Red Dog that would avoid the monument altogether, including one (GCO; map 1) already identified for other large mineral deposits in the Red Dog area.

S.444's Land Exchange

S.444 would convey to NANA 94,000 acres: 62,000 acres of monument lands the haul road would cross (map 2; A-1) and another 32,000 acres of adjacent NANA land selection applications inside the monument (A-3) that might not be finally patented by NANA in the absence of the exchange (Interior is silent on the likely eventual land status of these land

selection appplications). NANA would also be conveyed a 600-acre quarry site inside the monument immediately adjacent to one of the monument's largest and most important lakes.

In return, the Interior Department would acquire 103,000 acres of NANA's land selection applications inside the monument along the eastern boundary (B-1). However, the Interior Department states that based on NANA's selection priorities, 38,000 acres would "likely" not be finally taken to patent in the absence of the exchange and would become monument lands. Therefore, the department is acquiring 65,000 acres that it believes would have eventually been patented in the absence of the exchange.

The department also would acquire about 2,000 acres of NANA's land on the coast, a five-acre administrative site in another national park in the region, some cooperative planning provisions in the event of NANA development of 11,000 acres in the southern end of the monument, and a very limited degree of regulatory control over the 94,000 acres conveyed to NANA at the north end of the monument.

S.444: A Trade Not In The Public Interest

Unlike other land exchanges undertaken by the Interior department, this one has not been accompanied by the usual land appraisal. However, using a 1983 appraisal done for NANA by the Alaska Appraisal Company, it is possible to estimate the real estate values involved.

The 65,000 acres in the eastern block that would be acquired from NANA were appraised at $60 per acre, and the 1985 acres at the coast at $130/acre, for a total of $4,158,000.

The 64,000 acres of "pure" monument land that would be conveyed to NANA was also given a $60/acre figure, and the adjoining 32,000 acres was appraised at $50/acre, for a total value of $5.44 million.

An appraisal was not made of the interests in NANA's lands that the

National Park Service would retain. The very limited regulatory influence on the former monument lands is probably not worth very much. In order to enforce any agreement with NANA, the Service would have to bring a court action, with the burden of proof on the Service. Such court actions are cumbersome, costly, and politically most unlikely.

NANA's appraisal did not consider the value of the 62,000 acres of monument land NANA would acquire as a transportation corridor resource. According to Cominco's 1984 economic analysis of the road alternatives, its preferred trans-monument route would cost $51 million less in construction costs than the northern route (Asikpak; map 1) and $1.45 million less in annual operating costs. As the life of the Red Dog project is expected to be "at least 40 years," the minimum savings in operating costs over the life of the project is approximately $58 million, for a total difference between the two routes of $109 million.

When the transportation corridor value is factored in, it is obvious that S.444 would authorize a trade that on its face ignores the equal value test required by Congress in ANILCA. The bill's intent is even more dubious considering that the 67,000 acres that would be acquired for addition to the monument (65,000 acres in east block; 2,000 on coast) are on the whole far less valuable for monument purposes than the 94,000 acres lopped off the northern end.

The 94,000 acres are caribou wintering grounds and are important hunting areas for the subsistence users of Kivalina and Noatak. Musk oxen range over the area, including a herd that spends most of its time within the monument. Grizzly bears utilize the area as well. Lakes, streams, and wetlands provide important habitat for waterfowl and other birds.

Monument status for these northern lands now protects portions of the watersheds of the Omikviorik and Wulik Rivers, both important subsistence fisheries. Most of the beautiful, clearwater Omikviorik, the largest (and only) river in the monument, flows through the north monument lands and its bluffs provide nest sites for rough-legged hawks. It is also an important char and chum salmon spawning stream.

These northern monument lands also buffer the Tahinichok Mountains-Mulgrave Hills, perhaps the most scenic hills in the monument and, most importantly, nesting habitat for rough-legged hawks, golden eagles, and the endangered peregrine falcon. Caribou use this area for winter range and occasional calving grounds when heavy snows blanket their lowland range and delay their spring migration to the North Slope calving and summer ranges.

All of the northern lands are completely undeveloped, and easily qualify for inclusion in the Wilderness System.

By contrast, the 103,000 acres in the east block that would be added to the monument, including the 38,000 acres the department says would not be selected in the absence of S.444, consist of rolling tundra-covered hills. They have far less habitat diversity than the northern monument lands. Most importantly, they are not threatened by any incompatible development.

In summary, the proposed land exchange of S.444 does not even approach the equal value standard Congress set forth in ANILCA for land exchanges. Rather it is an obvious giveaway of valuable national monument lands and resources.

Impact of the Proposed Exchange on Cape Krusenstern National Monument

If S.444 is approved, the new de facto monument boundary would adjoin the road/railroad corridor (map 2). The major adverse impact would be the loss of 94,000 acres of monument land, including the resources and values described above.

In addition, transportation and other related activities on, off, and over the corridor would degrade the adjacent monument lands for decades. These adverse effects include road, rail, and aircraft noise; dust damage to vegetation and air quality from the road traffic; potential disturbance to nesting peregrine falcons, rough-legged hawks, golden eagles, and peregrine falcons; potential interference with traditional

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patterns of animal migrations, especially musk oxen and caribou; and potential damage to monument terrain and harassment of monument wildlife through the illegal use of off-road vehicles.

The alignment of the trans-monument route would also intersect the bluffs of the Omikviorik in the heart of the rough-legged hawk nesting area, and the second largest borrow pit along the route would remove a nesting cliff altogether (personal inspection, summer 1984). According to the Interior department, the 600-acre quarry site that would be conveyed to NANA might result in the drainage of Omikviorik Lake, an important waterfowl habitat area and visitor access point.

As other nearby mineral deposits of the western De Long Mountains mineral district and Noatak zinc belt are developed and linked to the Red Dog transportation corridor, these damaging effects on the monument would intensify and be prolonged. There would be increased truck, rail, and aircraft traffic in the corridor, and in the case of aircraft, over the monument as well. There would likely be more gravel and quarry operations and haul roads. NANA as landowner would be free to build whatever additional facilities it wished including greatly expanded port and rail facilities.

The Red Dog Environmental Impact Statement

The Interior Department did not prepare an environmental impact statement on the land exchange of S.444. However it did participate with EPA in an EIS on the Red Dog mine project that looked only at the alternative road routes, not the land exchange of S.444.

Nevertheless, proponents of S.444 cite the claim of the Red Dog EIS that the trans-monument route is the least environmentally damaging of the alternative routes. This claim is irrelevant, because S.444 goes way beyond a right-of-way across the monument to propose the deletion of 94,000 acres of monument lands--a proposed action for which no environmental impact statement has been prepared.

In any event the EIS's assertion is wrong. It is wrong in assuming that because the trans-monument route has relatively less potential adverse impacts than the northern route--chiefly because of the greater number of stream crossings on the northern routes--it therefore follows that the monument route ought to be selected.

That conclusion does not follow at all. It overlooks the fact that the non-monument routes would entirely traverse private (Native) and State lands that are wide open to all potential uses now and in the future, including new mining, mining roads and other development.

For Congress the issue is not a comparison of the potential adverse impacts of the various alternative road routes, but whether to substantially modify the monument's boundary for the worse in order to avoid affecting other lands that are totally unprotected and could be committed to adverse uses at any time regardless of what action Congress may take on S.444. Congress could approve S.444 only to see comparable adverse developmental impacts occur on the northern non-monument lands.

Other Mineral Deposits in the De Long Mountains

One of the key factors largely ignored in the Red Dog EIS is the regional transportation policy implications of the presence of several other known mineral deposits in the De Long Mountains. The State of Alaska has identified seven "significant" deposits in the De Long Mountains-western Brooks Range, including lead-zinc ores even richer than at Red Dog. (map 3; Alaska's Mineral Industry 1983, State Division of Geological and Geophysical Surveys, 1984).

For example at the Lik lead-zinc deposit about 12 miles northwest of Red Dog (location #1, map 3), General Crude Oil (GCO) and Houston International Minerals recently announced that core drilling on their north Lik claim block indicates the presence of another "substantial" lead and zinc deposit in addition to the 25 million tons of proven reserves. Cominco also owns a large claim block at Su contiguous to Lik, but hasn't revealed the results of its own core drilling. The entire Red Dog-Lik area is blanketed by an estimated 18,000 mining

claims, covering thousands of acres.

GCO's own transportation study (which is not available to the public) apparently indicated that the preferable route from Lik to the coast is along the GCO route just north of the Asikpak route identified by Cominco (map 1).

The known lead-zinc reserves at Red Dog and south Lik, combined with the new discovery at north Lik and Cominco's likely similar deposits at Su are probably enough to put annual ore tonnage over the threshold for rail transporation now. Transportation experts differ on the threshold level for economic operation of a railroad, with estimates ranging from 400,000 tons per year (Parker Associates, Inc., 1983) to 775,000 tons (Louis Berger and Associates, 1981). Cominco's plans for Red Dog call for initial production of 479,000 tons per year using the haul road, with a railroad to be built for the 754,000 tons/year after six years of production.

A major multi-volume study done for the State of Alaska in 1981, the Western Alaska and Arctic Transportation Study (WATTS; L. Berger and Associates) identified a northern corridor from Red Dog and Lik-Su to a port site on the coast near Cape Thompson. Like the Asikpak and GCO routes, this Watts corridor avoids Cape Krusenstern National Monmument. From a regional transportation planning perspective, then, a rail connection to the coast along a northern corridor appears not only economically feasible but obviously environmentally preferable to the haul road-railroad combination favored by Cominco that would result in the loss of 94,000 acres of Cape Krusenstern National Monument and prolonged damage to the adjacent remaining monument lands.

ANILCA's Title 11 process

Under a right-of-way application filed pursuant to the transportation process (Title 11) of the Alaska Lands Act, Congress must decide whether or not to permit a transportation system within or across a unit of the national park system or any unit of the Wilderness System in Alaska,

provided the President recommends that the permit be granted.

In November of 1983, Cominco filed for a right-of-way across Cape Krusenstern National Monument, but recently it decided to urge adoption of S.444 instead. Its application remains on "hold" within the Interior Department.

Before the administration can recommend to Congress that a right-of-way be granted, the administration must find that there is no economically feasible and prudent alternative and that the transportation system must be compatible with the purposes for which the unit was established. (Section 1105).

As noted above, there are northern routes that probably qualify as economically feasible in the context of a regional transportation system designed to service not just Red Dog, but other known mineral deposits in the area as well.

Because Cominco and the Interior Department have suspended processing of Cominco's application, Congress will not be able to evaluate economic feasibility of the alternatives or address the compatibility question in the context of the transportation process, as it intended to do in ANILCA.

Recommendation

S. 444 would approve a land exchange that would cause substantial and permanent harm to Cape Krusenstern National Monument. In the Alaska Lands Act, Congress directed that land exchanges were to be a means of acquiring lands and inholdings. S.444, which would drop 94,000 acres out of the monument for the convenience of a large international mining corporation, is clearly contrary to Congress's expressed policy. The Sierra Club strongly recommends that Congress reject this bill.

The Committee should also direct the administration and Cominco to comply with the intent of Congress with respect to the transportation process of the Alaska Lands Act.

Thank you for the opportunity to present testimony on these important issues.

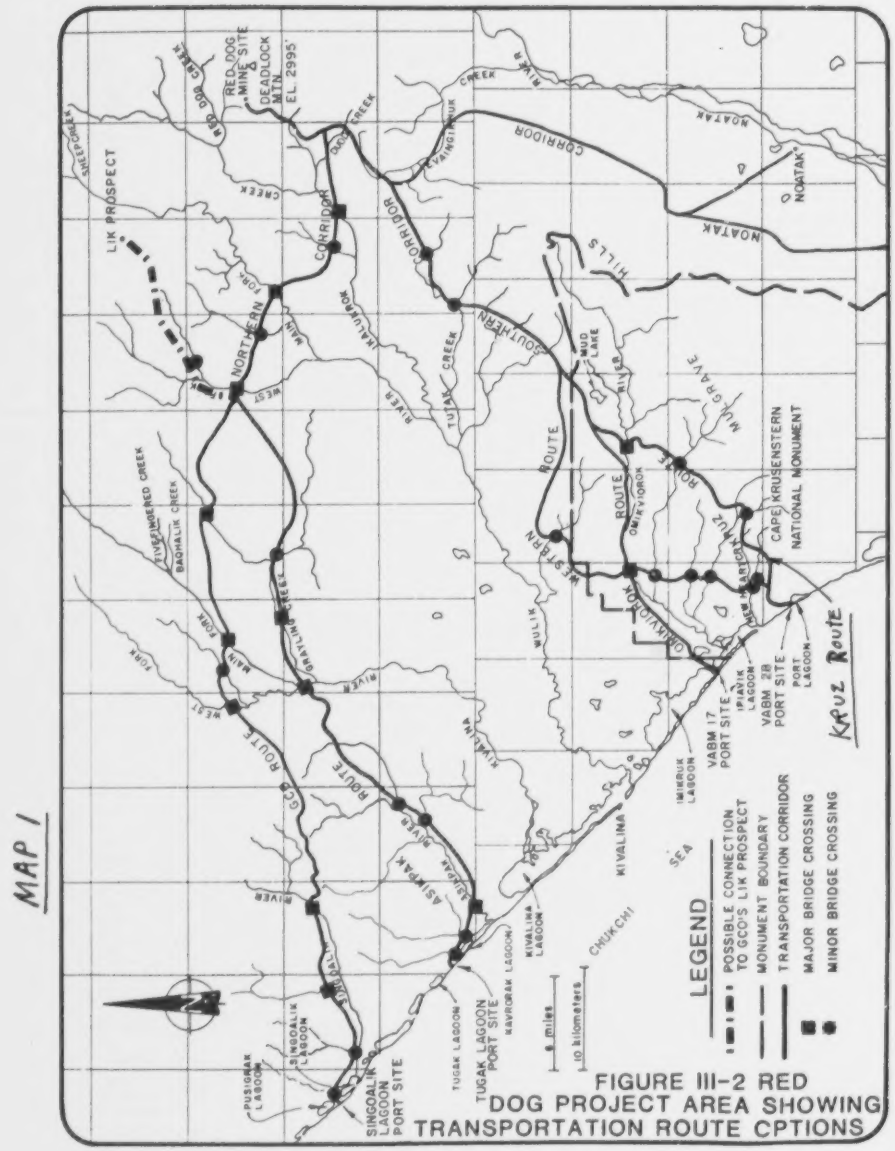
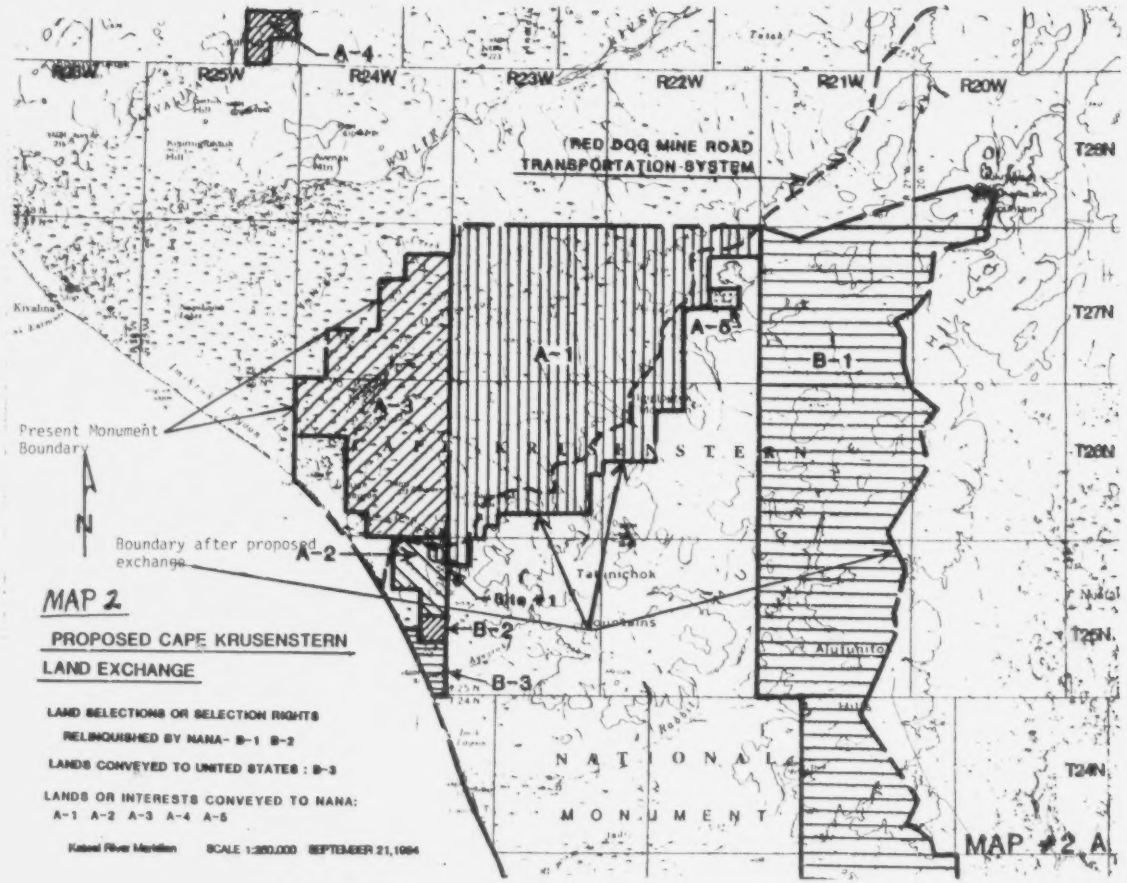


FIGURE III-2 RED DOG PROJECT AREA SHOWING TRANSPORTATION ROUTE OPTIONS


A-4
R28W
R25W
R24W
R23W
R22W
R21W
R20W
RED DOG MINE ROAD
TRANSPORTATION SYSTEM
T28N
T27N
T26N
T25N
T24N
A-1
A-6
B-1
A-3
A-2
B-2
B-3
Present Monument
Boundary
N
Boundary after proposed
exchange
Site #1
Tamichok
Mountains
Aiyuhtuk
K R U S E N S T E R N
N A T I O N A L
M O N U M E N T
MAP 2
PROPOSED CAPE KRUSENSTERN
LAND EXCHANGE
LAND SELECTIONS OR SELECTION RIGHTS
RELINQUISHED BY NANA- B-1 B-2
LANDS CONVEYED TO UNITED STATES : B-3
LANDS OR INTERESTS CONVEYED TO NANA:
A-1 A-2 A-3 A-4 A-5
SCALE 1:250,000 SEPTEMBER 21,1994
MAP # 2 A

MAP 3

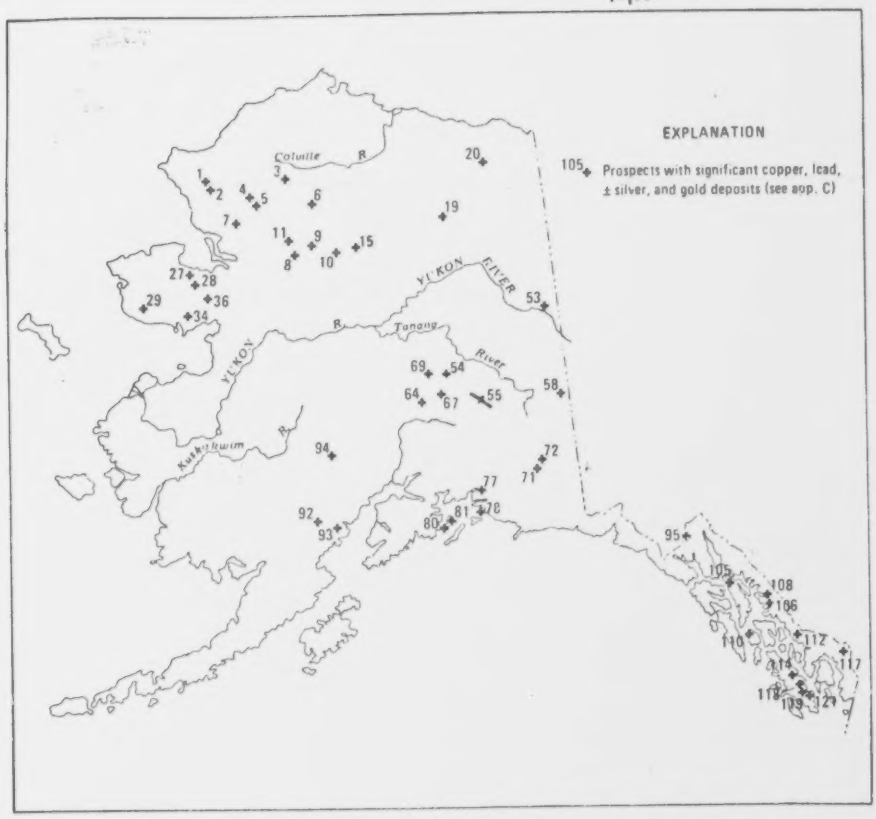


Figure 27. Significant copper, lead, zinc ± silver, and gold deposits and prospects in Alaska.

1. **Lik, SU** - Major strata bound massive-sulfide (Zn-Pb-Ag-Cd-Ba) deposits in black shale and chert. Inferred reserve (Lik) estimate of 25 million tons of 12 percent combined Pb+Zn and 1.5 oz/ton Ag.

2. **Red Dog** - At least two major strata-bound massive-sulfide deposits hosted in Permian or Mississippian shales; similar to locality 1. According to Cominco Alaska (February 1982), the 'Main' deposit at Red Dog contains at least 85 million tons of 17.1 percent Zn, 5 percent Pb, 2.4 oz/ton Ag. The nearby 'Hilltop' deposit contains substantial undisclosed reserves.

3. **Drenchwater** - Strata-bound massive-sulfide (Pb-Zn-Ag) occurrence associated with black shale, chert, and felsic volcanic rocks; 60- by 120-ft exposure averages 17.4 percent Zn, 3.0 percent Pb, and 3.3 oz/ton Ag; numerous sulfide occurrences and strong geochemical anomalies between localities 1-4 and locality 7.

4. **Ginny Creek** - Hill of massive-barite mineralization; minimum estimate of 1 million tons of barite exposed near the surface.

5. **Story Creek** - Recently discovered massive-sulfide Zn-Pb-Ag-Cu-Au occurrences hosted in brecciated zones within the Devonian Kanayut Conglomerate or the Lower Mississippian Kayak Shale. Grab samples of high-grade material contain 0.43 percent Cu, 34 percent Pb, 28.8 percent Zn, 0.04 oz/ton Au, and 30 oz/ton Ag.

6. **Woopee Creek** - Recently discovered massive-sulfide Zn-Pb-Cu-Ag-Au-Cd occurrences in breccia zones within the Devonian Kanayut Conglomerate or the Lower Mississippian Kayak Shale. Random grab samples of mineralized material contain 0.24 percent Cu, 0.37 percent Cd, 44 percent Zn, 0.14 oz/ton Au, and 14.8 oz/ton Ag.

7. **Omar-Frost** - Cu replacement (similar to Bornite); includes stratiform barite occurrences similar to Ginny Creek (locality 4).

MAP 3A

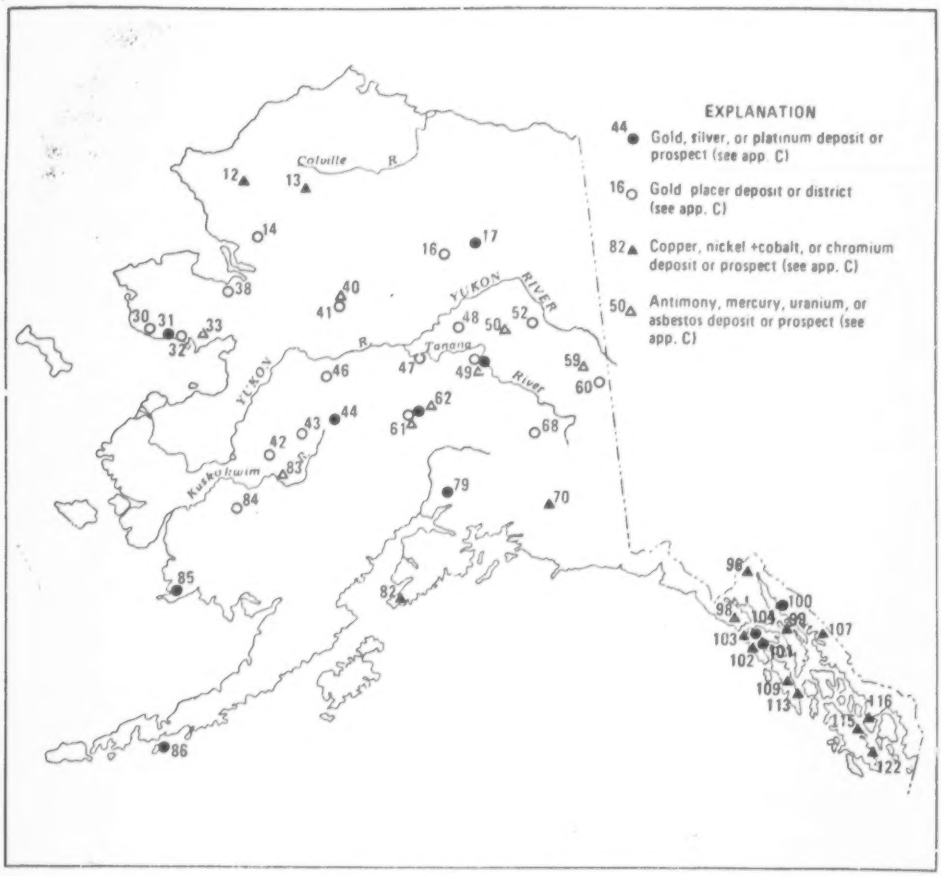

EXPLANATION
44 Gold, silver, or platinum deposit or prospect (see app. C)
16 Gold placer deposit or district (see app. C)
82 Copper, nickel +cobalt, or chromium deposit or prospect (see app. C)
50 Antimony, mercury, uranium, or asbestos deposit or prospect (see app. C)
Colville R.
YUKON RIVER
Tanana River
YUKON R.
Kuskokwim R.

Figure 29. Significant gold, silver, platinum, and strategic-mineral deposits, prospects, or districts in Alaska.

12. **Avan Hills** - Unexplored chromite occurrences and nickel geochemical anomalies associated with layered ultramafic rocks.

13. **Misheguk Mountain** - Chromite occurrences in ultramafic rocks; potential exists for similar occurrences.

14. **Klery Creek** - Lode- and placer-gold deposits worked intermittently from 1909 through the 1930s. Total production through 1931 estimated at 31,320 oz; most production is from placer deposits.

Senator MURKOWSKI. Thank you, Mr. Hession.

I can't help but differ in your conclusion as to just what this proposal would do for the park as compared with what the title XI proposal would do. It would just authorize a road through the park. It's I think the feeling of—of myself, that this enhances the park by providing additional acreage.

Mr. HESSION. Yes, sir. I understand that argument.

Senator MURKOWSKI. Well, I'd like to hear your views on it, if indeed it is not more beneficial to the park per se.

Mr. HESSION. Thank you. I do disagree with that conclusion, but first let me mention something about title XI, if I may?

Senator MURKOWSKI. Well, let me ask you this. Now the title XI, would it not just authorize a road through the park, period?

Mr. HESSION. It might, Senator. The whole point of title XI is——

Senator MURKOWSKI. It either would, or wouldn't. It wouldn't provide additional acreage for the park.

Mr. HESSION. We don't know. It hasn't been tried yet.

Senator MURKOWSKI. Well——

Mr. HESSION. Let's assume that——

Senator MURKOWSKI [continuing]. I think you have to make that assumption——

Mr. HESSION. All right, I will make that assumption, but I do want to point out that title XI is not for the purpose of providing a transportation corridor across a unit of the national park or wilderness system in Alaska. It's for the purpose of giving Congress the opportunity to look at all the alternatives, having——

Senator MURKOWSKI. But it could provide that.

Mr. HESSION. Certainly, it could. It also could provide for a nonmonument route that, after thorough analysis, the Federal agencies could conclude is the better way to go. That's the whole point, to lay out these options for the Congress.

Senator MURKOWSKI. Well, it would seem that if this particular proposal which was before the Congress does not go through, the alternative would be contrary to additional acreage in the park.

Mr. HESSION. I'm sorry, Senator? I'm not sure I understood you.

Senator MURKOWSKI. I'm just simply saying this proposal provides an exchange which enhances the park by providing additional acreage, as opposed to the other alternative of title XI which does not.

Mr. HESSION. Well, which could also avoid the monument all together. But may I comment on your enhancement suggestion?

Senator MURKOWSKI. Well, additional acreage—I mean, we can argue——

Mr. HESSION. All right.

Senator MURKOWSKI [continuing]. Whether it enhances. It certainly provides additional park acreage. I'm not going to argue the merits of whether it's valuable land or whether it's of little value.

Mr. HESSION. I'm not even sure it provides additional park acreage, Senator. If you look at the 103,000 acres——

Senator MURKOWSKI. Well, it reduces the in-holdings. There's no question about that.

Tell me, Mr. Hession, does the Sierra Club have a position on favoring one route over the other, which is the question before the committee.

Mr. HESSION. Senator, I wonder if you could allow me to address the enhancement issue just briefly, and then I will be happy to answer your next question.

Senator MURKOWSKI. Fine.

Mr. HESSION. If you look at the 103,000 acres on the east side, the so-called east block lands, the Department of the Interior has indicated in its resource evaluation that 38,000 acres of those would be probably, in all probability, likely is the word they use, added to the monument anyway eventually. That is, they would fall out and automatically revert to monument status.

Furthermore, there's absolutely no development threat to them at all.

Senator MURKOWSKI. I would have to challenge that, because, you know, that's not necessarily the case. Those may be selected lands.

Mr. HESSION. They're over selections, Senator.

Senator MURKOWSKI. But the fact remains that to just suggest it's going to go to the monument anyway is, I think, hypothetical.

Mr. HESSION. If I can explain——

Senator MURKOWSKI. Go ahead.

Mr. HESSION [continuing]. The National Park Service indicates that they have seen NANA's selection priority list, and since that's a village overselection and far away from either Kivalina or Noatak, it's way down on their list. Unless they were to completely revise their land selection priority list, all indications are that those 38,000 acres would automatically become part of the monument.

Now that leaves 65,000 acres of overselections also, but the indications are that NANA would select those. That's what we're talking about, I think, plus the coastal lands, plus these covenants on the other lands.

In return, the park service loses 94,000 acres. Now of those 94,000 acres, 62,000 are pure monument lands, if I can describe them that way, unencumbered monument lands. 32,000 acres, or the western block, are overselections which we don't have any information on. The Department of Interior has not told us whether or not those would be finally selected, or whether there's even a probability of it.

I'm willing to acknowledge that there's only 62,000 acres involved here that are going out of the monument. The 62,000, by the way, that the road corridor crosses. But it appears that perhaps even 94,000 acres would eventually be lost. Now I don't know how you could then, Senator, consider that as an enhancement of the monument or beneficial to the monument.

Senator MURKOWSKI. Well, I don't know how you can infer that interest in easements on land have little or no value when they run no less than 65 percent of fee purchase in the same case as high as 90 percent of value.

Mr. HESSION. In which case we're talking——

Senator MURKOWSKI. And it's traditionally, and you said you'd dismiss it and say they have little or no value.

Mr. HESSION. I will stand by my statement. Those acres out there are valued at $50 and $60 an acre, equivalent to $45 an acre here in——

Senator MURKOWSKI. You've been in the area and so have I. The ability to value those acres, there's no comparison. Let's be realistic. To try and establish a value is extremely difficult.

My last question is the position of the Sierra Club on the southern and northern routes.

Mr. HESSION. On the southern and northern route?

Senator MURKOWSKI. Do you have a position?

Mr. HESSION. Certainly. We oppose the incursion, the proposed incursion of the Red Dog haul road/railroad corridor through the Cape Krusenstern National Monument.

Senator MURKOWSKI. So you're opposed to either route?

Mr. HESSION. To either the northern or the southern route?

Senator MURKOWSKI. Yes.

Mr. HESSION. I would say that clearly our druthers would be that the monument be avoided, and that I've been trying to argue here this morning, or this afternoon, that it would appear on the basis of a regional transportation effort ideally through title XI that a northern route is the more appropriate way to go.

Senator MURKOWSKI. So you would favor the northern route?

Mr. HESSION. Based on the information that we have to date, and it's—as I've tried to explain, hasn't been very thorough from the Department of Interior, in view of the lack of a title XI analysis, I'd have to say yes.

Senator MURKOWSKI. All right. So the position of the Sierra Club, then, can be stated as supporting the northern route, with the covenant that you feel there should be incorporated a regional transportation system?

Mr. HESSION. Yes. A northern route, Senator.

Senator MURKOWSKI. A northern route, as opposed to the northern route?

Mr. HESSION. As opposed to the ones that have been identified, which probably could be perfected to avoid the environmentally sensitive areas that we've heard about this morning.

Senator MURKOWSKI. Well, I'm a little confused, because there's two routes before us, the southern route and the northern route. There's been an environmental impact statement filed. We can compare the total stream crossings on the southern route from 187 to the northern route of 313. We can compare major river crossings of 1 on the southern route and 6 on the northern. We can compare icing cultural resource sites, and on and on and on, and obviously according to the environmental impact statement, why the southern route is favored. It's shorter, as well.

I guess my last observation is that I'm somewhat confused why all of the environmental community basically supports the Red Dog mine, why they object to the proposed routings, all of which would necessitate the reality that there be no mine because without an alternative artery of some kind, why it's impossible to have a mine.

So the record will remain open for 2 weeks. I want to thank those of you who were able to testify this morning, and I wish you all a good day.

Mr. HESSION. Thank you.

[Whereupon, at 12:45 p.m., the hearing was adjourned.]

[Subsequent to the hearing Mr. Hession submitted the following:]

by Wilbur Mills in *Alaska, The Great Land*

Sierra Club
241 E. Fifth Avenue
Suite 205
Anchorage, Alaska 99501
(907) 276-4048

May 9, 1985

Senator Frank Murkowski
United States Senate
Washington, D.C. 20510

Re: Subcommittee Hearing on S.444, April 30, 1985

Dear Senator Murkowski:

In my statement on S.444, I used Cominco's 1984 economic analysis of the road alternatives to suggest that the total difference in cost between the northern (Asikpak) and trans-monument (Kruz) routes is $109 million. However, resource economists have suggested that net present value analysis would be more meaningful.

Accordingly, using Cominco's three-year construction period, assuming construction expenditures spread evenly over the three years, and assuming a 3.5% discount rate, the net present value of the Asikpak Route is $248.26 million, and $167.97 for the Kruz route, for a difference of $80.29 million.

If a 4.5% discount rate is applied, the figures are $225.79 million and $151.18 million respectively, for a difference of $74.61 million.

These rates are based on the Alaska Power Authority's percentages for the proposed multi-billion dollar Susitna River dams (3.5%), and for all other APA hydro proposals (4.5%).

Even a 4.5% discount rate is very conservative. If a percentage comparable to that used by private industry is applied, the cost difference between the two routes would be even less. For example, if 10% is used, the comparative costs are $163.07 million and $104.72 million, respectively, for a difference of $58.35 million.

In the context of the transportation process of ANILCA (Title 11), these differences suggest that a northern route is an economically feasible and prudent alternative from Red Dog, without even considering the Lik-Su and other known mineral deposits that would best be served by a northern route.

I also noted in my statement that the Omikviorik was the only river in the monument. This is incorrect; there are at least two other, smaller rivers, the Evelukpalik and the Situkuyok.

Please include this letter as part of the hearing record. Thank you.

Sincerely yours,

Jack Hession

Jack Hession
Alaska Representative

APPENDIXES

APPENDIX I

Responses to Additional Committee Questions

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

JUN - 7 1985

Honorable Malcolm Wallop
Chairman, Subcommittee on Public Lands,
Reserved Water, and Resource Conservation
Committee on Energy and Natural Resources
United States Senate
Washington, D.C. 20510

Dear Senator Wallop:

Enclosed are our responses to the questions on S. 444, which were forwarded with your letter of May 6. Answers to the questions on S. 488 and S. 543 will be submitted shortly.

We appreciate the opportunity to supplement our testimony.

Sincerely,

Susan Recce

FOR J. Craig Potter
Acting Assistant Secretary for
Fish and Wildlife and Parks

Enclosure

QUESTIONS SUBMITTED BY SENATOR JEFF BINGAMAN

S.444--Cape Krusenstern Land Exchange

QUESTION 1: HAS AN ENVIRONMENTAL IMPACT STATEMENT BEEN PREPARED FOR THE PROPOSED EXCHANGE EMBODIED IN S.444? IF NOT, WHY?

ANSWER: S.444 is not a legislative proposal by the Department, but rather by NANA through the Alaska Congressional Delegation. As such, it is not a Federal action requiring compliance with NEPA. In addition, please see the answer to question 2.

QUESTION 2: THERE IS SOME DISAGREEMENT OVER THE INTERPRETATION OF SECTION 210 OF THE ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT. AS I UNDERSTAND, THIS PROVISION WAS DESIGNED TO DEAL WITH CONVEYANCES, ETC. UNDER THE ALASKA NATIVE CLAIMS SETTLEMENT ACT AND THE ANILCA. THIS PROVISION WAS NOT DIRECTED TO FUTURE LAND EXCHANGES WHERE A NATIVE CORPORATION IS MOVING ITS SELECTIONS TO A NEW LOCATION. IN YOUR VIEW, WAS IT MEANT TO EXEMPT WHOLESALE EXCHANGES OF NATIONAL MONUMENT OR OTHER PARK LAND FROM THE EIS PROCESS? PLEASE CLARIFY THE DEPARTMENT OF INTERIOR'S INTERPRETATION OF THIS SECTION.

ANSWER: This Department has interpreted section 910 of ANILCA as exempting from NEPA compliance land exchanges under ANCSA and ANILCA which result in the issuance of conveyances to Natives or Native Corporations.

Section 910 exempts from the requirement of the preparation of an EIS "actions which lead to the issuance of conveyances to Natives or Native Corporations pursuant to the Alaska Native Claims Settlement Act, or this Act." In light of this language, and of the legislative history stating that the section is to be "liberally construed" (Senate Report No. 96-413, 96th Cong., 1st Sess. 292 (1979)), the Department views this exemption as covering both ANCSA and ANILCA land exchanges. The land exchange authorizations of 1302(h) of ANILCA and 22(f) of ANCSA involve the mutual transfer of title between parties; in this case, conveyances of property on the one hand from the United States to a Native Corporation and on the other hand from the

QUESTIONS SUBMITTED BY SENATOR JEFF BINGAMAN--Cont.

S.444-Cape Krusenstern Land Exchange--Cont.

Native Corporation to the United States. Therefore, an exchange under either ANCSA or ANILCA would "lead to the issuances of conveyances to Natives or Native Corporations," and would thus fall into the NEPA exemption specified in section 910.

However, it should be noted that as a matter of administrative practice the Department does environmental analyses of all proposed land exchanges so we are aware of the consequences of the exchange even though NEPA compliance is exempted in certain cases. For the NANA-Cape Krusenstern land exchange proposal, a resource evaluation is part of the administrative record and assesses the effects of the exchange on the environment and the Monument.

QUESTION 3. THE ISSUE OF THE FEDERAL GOVERNMENT RECEIVING A FAIR VALUE FOR THE LANDS IN THIS EXCHANGE HAS BEEN RAISED. HAS THE DEPARTMENT OF INTERIOR PREPARED AN APPRAISAL ON THE VALUE OF THE PUBLIC LANDS TO BE EXCHANGED? IF NOT, WHY?

IS IT NOT NORMAL FOR THE FEDERAL GOVERNMENT TO CONDUCT ITS OWN APPRAISAL WHEN THERE IS AN EXCHANGE OF FEDERAL LANDS?

IF YOU HAVE MADE A DETERMINATION; WHAT IS THE APPROXIMATE VALUE OF THE LANDS, INCLUDING ANY SAND AND GRAVEL DEPOSITS, BEING EXCHANGED?

ANSWER: The Department has acceptable appraisals for the exchange lands. Two of the appraisals assessing mineral or possible mineral values were prepared by appropriate personnel in the Bureau of Land Management in Alaska.

The appraisal for general land values was prepared under contract by a certified appraiser. As a matter of expediency, the NANA Regional Corporation arranged for the appraisal and paid for it. This arrangement was conditional on approval by the National Park Service of the appraiser, that the appraisal be conducted in conformance with the "Uniform Appraisal Standards for Federal Land Acquisitions," and that the appraisal must be

QUESTIONS SUBMITTED BY SENATOR JEFF BINGAMAN--Cont.

S.444-Cape Krusenstern Land Exchange--Cont.

reviewed and approved by the National Park Service. NPS furnished NANA with a list of appraisers that it has found to be satisfactory from which NANA could solicit bids. The National Park Service is quite comfortable with the appraisal based on its experience in recent years of conducting several appraisals in Alaska by contract or by NPS appraiser.

It is normal practice for the Federal Government to conduct its own appraisal through contract or a Government appraiser when there is an exchange of land or land to be acquired, but exceptions are not unknown.

If the Federal Government had solicited bids for a contract appraisal under the same conditions, we believe we would have essentially the same answers. In this case the same appraiser appraised both the lands to be traded by NANA and the lands to be traded by the United States. The major blocks of land were found to be essentially of equal value per acre. We believe this is a reasonable assessment based on the character of the lands.

A table showing the approximate values of the lands exchanged is enclosed. These values are based on the estimated fair market value of the lands.

With one exception itemized in the aforementioned table, sand and gravel deposits were not evaluated separately from the general land value. Determination of fair market value was based on highest and best use. "Highest and Best Use of each of the five (5) Subject Cape Krusenstern acreage parcels is judged to be as an investment property." Mineral values of the lands to be exchanged are assessed to be comparable and equal; accordingly, the value of sand and gravel deposits was not determined separately.

QUESTIONS SUBMITTED BY SENATOR JEFF BINGAMAN--Cont.

S.444--Cape Krusenstern Land Exchange--Cont.

QUESTION 4: ARE ALL AGENCIES WITHIN THE DEPARTMENT OF INTERIOR SUPPORTIVE OF THIS EXCHANGE? HAS THE U.S. FISH AND WILDLIFE SERVICE COMMENTED ON THE EFFECT TO ESTABLISHED WATERFOWL HABITAT AND OTHER WILDLIFE AS A RESULT OF THE EXCHANGE AND PROPOSED DEVELOPMENT IN THE AREA?

ANSWER: Only the Bureau of Land Management has been closely involved in negotiation of the land exchange. The Bureau supports the land exchange. While the U.S. Fish and Wildlife Service has not been closely involved in the land exchange, they were consulted regarding endangered species. Further involvement has been to the extent the Fish and Wildlife Service has participated in the review of the Red Dog Mine Project EIS which addresses proposed developments on these lands. In addition, both the Fish and Wildlife Service and the Bureau of Indian Affairs had the opportunity to review and comment on our testimony and the Department's report on the legislation. They were supportive of the legislation.

QUESTION 5: I UNDERSTAND THERE IS SOME DISPARITY BETWEEN THE COST ESTIMATES PROVIDED THE NATIONAL PARK SERVICE BY COMINCO FOR THE PROPOSED MONUMENT ROUTE AND THE NORTHERN ALTERNATIVE? PLEASE EXPLAIN THIS DISPARITY, PARTICULARLY WITH REGARD TO THE VALUE OF THE GRAVEL DEPOSITS TO BE ACQUIRED OR USED IN THE LAND EXCHANGE.

ANSWER: After a thorough review of the documentation presented by Cominco Alaska as part of the ANILCA Title XI process, the Department can find no error in the cost figures. The cost estimate for each of the routes was analyzed by both the National Park Service and the Federal Department of Transportation through their regional offices in Alaska. Both agencies have concurred in the engineering data and cost estimates provided by Cominco.

QUESTIONS SUBMITTED BY SENATOR JEFF BINGAMAN--Cont.

S.444--Cape Krusenstern Land Exchange--Cont.

There is a significant difference in cost between the proposed "Monument route" and the road route north of the Wulik River. The southern route is estimated to cost $74.7 million if gravel is taken from borrow sites along its length. The northern route is estimated to cost $125.7 million if gravel is taken from sites along its length. This represents a cost difference of $51 million in capital cost. The difference in construction costs is directly related to the greater length of the northern route, and the greater number of bridges and culverts. Operating costs have been identified by Cominco to be $3.3 million annually for the northern route and $2.6 million annually for the southern route. The difference in operating costs is directly related to the increased distance of the northern route which requires longer haul time and would require added maintenance costs for a longer road.

In the ANILCA Title XI review process, the National Park Service also requested information from Cominco on the cost of road construction of the southern route if borrow was not taken from within the Monument. This information was requested to evaluate alternative potential restrictions which could be placed on road construction. This additional information was provided to the Park Service by Cominco and was helpful in allowing the Park Service to consider the full range of options that might be available in processing Cominco's Title XI application.

The circumstances of the proposed land exchange are clearly different. NANA would receive title to certain lands within the Monument and would have the right to obtain sand and gravel from these lands for road construction. It should be noted, however, that NANA's rights to extract sand and gravel would be subject to the environmental stipulations outlined in the land exchange agreement and the provisions of other State and Federal permits.

QUESTIONS SUBMITTED BY SENATOR DALE BUMPERS

S.444--Cape Krusenstern Land Exchange

QUESTION 1: GIVEN THE AMOUNT OF MINERAL DEVELOPMENT TO OCCUR IN THE VICINITY OF THE CAPE KRUSENSTERN NATIONAL MONUMENT IN THE FUTURE, WHY SHOULD CONGRESS TAKE LANDS OUT OF THE MONUMENT TO ACCOMMODATE INDUSTRIAL DEVELOPMENT WHEN ALTERNATIVES EXIST THAT ARE ECONOMICALLY VIABLE AND MORE APPROPRIATE FOR PROVIDING ACCESS FOR ALL MINERAL DEVELOPMENTS, NOT JUST RED DOG?

ANSWER: The proposed Cape Krusenstern Land Exchange does not propose a boundary change or a deletion of lands from the Monument. It does shift what would be private lands in three areas within the Monument to the northwest portion of the monument to adjoin other private lands at and near the ocean coast. This effects a consolidation of private ownership and Federal ownership within the Monument. A mine access road is proposed to be built across these private lands.

NANA has offered an exchange of lands and interests in lands it owns within Cape Krusenstern National Monument for other Federal lands within the Monument. NANA proposes this exchange to secure the lands along the environmentally preferred and proposed alignment of the Red Dog Mine Road. NPS thinks it should take advantage of this opportunity to consolidate ownership patterns in the Monument for the improvement of management and protection of Monument resources.

NANA owns or will own substantial acreage within the Monument. While some of these lands may not be developed and pose no apparent threat to Monument resources, there is no assurance as to their future maintenance in a pristine condition. Other of the lands may have mineral potential. Pursuant to ANILCA, the United States cannot acquire these lands without the consent of NANA.

QUESTIONS SUBMITTED BY SENATOR DALE BUMPERS--Cont.

S.444--Cape Krusenstern Land Exchange--Cont.

In order to improve management and protection of the Monument, the NPS would like to effect an exchange of lands with NANA that would eliminate inholdings or consolidate inholdings. Other Federal lands with resource values of interest to NANA are not readily available for exchange. Without NANA's interest in obtaining access, there is a real question as to whether NANA would enter into the land exchange desired by the National Park Service.

The United States receives other values in this land exchange. Protective easements and servitudes are acquired on NANA lands that would not exist except for this exchange. NANA gives up a parcel of valuable coastal land to the U.S. An easement and public use and occupancy right for a 5-acre administrative site is conveyed to the United States in the significant Onion Portage Archeological District of the Kobuk Valley National Park.

Examining the transportation needs for the Red Dog and Lik lead-zinc deposits in the Red Dog Mine Project environmental impact statement has led to identification of an environmentally preferred route through the northwestern corner of Cape Krusenstern National Monument to the coast. Two northern routes addressed in the Red Dog Mine Project environmental impact statement that lie totally outside the Monument were deemed to have greater adverse effects on the environment of the general locale than would the environmentally preferred route through the Monument.

Based on the proposed Red Dog Mine Project EIS and information now available, the proposed transportation system route across the Monument is appropriate. It will best serve the needs for the Red Dog and Lik-Su lead-zinc-silver deposits. This appears to be the appropriate route considering sensitivity to the environment of the general locale and presently proposed mineral developments. It appears that this route can also serve the needs of other mineral deposits in the western DeLong Mountains.

QUESTIONS SUBMITTED BY SENATOR DALE BUMPERS--Cont.

S.444--Cape Krusenstern Land Exchange--Cont.

QUESTION 2: UNDER TITLE XI, THE ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT PROVIDES FOR TRANSPORTATION ACCESS ACROSS CONSERVATION SYSTEM UNITS. WHY IS NANA SEEKING THIS LAND EXCHANGE INSTEAD OF USING TITLE XI?

ANSWER: NANA has informed the Department that it is seeking to secure the lands necessary for the proposed Red Dog Mine transportation system through a land exchange for several reasons. NANA is concerned with securing the lands for the route and construction of the mine access road as quickly as possible. The proposed land exchange, if authorized and ratified by the Congress, appears to provide greater legal certainty for the development of a road along the environmentally preferred route and development of the Red Dog Mine in a timely manner. It is thought that an exchange could be accomplished more expeditiously than approval for a right-of-way under Title XI procedures to cross the Cape Krusenstern National Monument with a road. The Title XI procedure remains untested for a project of this nature and the final regulations to implement the Title XI procedure have not been promulgated.

The Department has supported the land exchange because of the benefits derived through land consolidation and acquisition of protective interests in lands owned or to be owned by NANA following the exchange.

QUESTION 3: WHAT IS THE STATUS OF THE TITLE XI REGULATIONS AND WHY HAVE THEY NOT BEEN PROMULGATED?

ANSWER: The majority of the drafting of the final Title XI regulations has been completed. Because of the importance of these regulations to all concerned, it has been determined that the important issues raised in the regulations should be reviewed by Secretary Hodel, Director Mott of the National Park Service, and the new Assistant Secretaries for Fish and Wildlife and Parks and Land and Minerals Management. Once these new Assistant Secretaries have been named, the Department anticipates moving ahead quickly to finalize the regulations as soon as this review has taken place.

APPROXIMATE LAND VALUES

Cape Krusenstern Land Exchange

January 30, 1985

NANA - Value Received:

Unit	Acreage	Value	
A(1)lands	62,084	$3,725,000	- Lands available to NANA only by exchange.
A(4)lands	1,915.25	$ 115,000	- Lands to be received by NANA outside the Monument in lieu of B(3) lands conveyed to U.S.
A(5)interests	100,000 to 500,000 cu. yards of stone, rock, etc.	($ 50,000 to $ 250,000) $150,000 av.	- 600 acres of limited subsurface estate available only by exchange.

Total Value to NANA $3,990,000

This value is discounted by the servitudes, easements and covenants running with the A(1), A(2), A(5) and B(4) lands which place certain restrictions on the lands and provide for protection and study of cultural and natural resources on these NANA lands.

United States - Value Received

Unit	Acreage	Value	
B(1)lands (12(c))	64,974	$3,898,400	- NANA charged 64,894 acres against 12(c) entitlement.
B(2)lands	640		- Relinquished by NANA.
B(3)lands	1,345	$ 297,800	- Owned by NANA and conveyed to U.S.
B(6)easement	5	$ 20,000(est)	- Administrative site easement in perpetuity.

Total value to U.S. $4,216,200

Other values to U.S.:

--Administrative and resource management benefits of land consolidation.

--Reduced survey costs up to $200,000.

--Administrative costs savings due to fixed acreage charges rather than precisely calculated acreages.

--Charges against entitlement exceed acreage exchanged. NANA loses 1,223.75 acres of entitlement.

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

1985 JUN 24 PM 11:23

JUN 13 1985

Honorable Malcolm Wallop
Chairman, Subcommittee on Public Lands,
Reserved Water, and Resource Conservation
Committee on Energy and Natural Resources
United States Senate
Washington, D.C. 20510

Dear Senator Wallop:

Enclosed are our responses to the questions on S. 488 and S.543, which were forwarded with your letter of May 6.

We appreciate the opportunity to supplement our testimony.

Sincerely,

Susan Recce
FOR J. Craig Potter
Acting Assistant Secretary for
Fish and Wildlife and Parks

Enclosure

QUESTIONS SUBMITTED BY SENATOR DALE BUMPERS

S.488--Petrified Forest National Park

I understand that S.488 would add 40 acres of land containing an important pre-Columbian Indian ruin to the Petrified Forest National Park.

QUESTION 1 DOES THE PARK SERVICE INTEND TO EXCAVATE AND STABILIZE THE RUIN? IF SO, WILL IT BE AVAILABLE FOR PUBLIC VIEWING?

ANSWER: The Indian ruins believed to be buried on Tract 236 adjacent to Petrified Forest National Park have not been studied in any detail or mapped by the National Park Service. If the park boundaries were expanded and the 40 acres, both surface and subsurface rights, were acquired at no cost to be included within the boundaries of Petrified Forest National Park, the National Park Service would propose on-site, formal archeological studies by the Western Archeological and Conservation Center. Based on current information, the National Park Service cannot predict whether the formal archeological studies would recommend excavation and rehabilitation of the area for visitor access.

QUESTION 2: IF MADE AVAILABLE FOR PUBLIC ENJOYMENT, WILL ADDITIONAL ACCESS BE REQUIRED TO READY THE SITE? WHAT COST IS ANTICIPATED IN PROVIDING THIS PUBLIC AVAILABILITY?

ANSWER: The only access to the site is by an existing park road, and the National Park Service does not propose any new roads. Therefore, there would be no cost anticipated in providing public availability should that determination be made after formal archeological studies have been completed.

S.543--Point Reyes National Seashore

I understand that S.543 would designate the 25,000 acres of wilderness within the Point Reyes National Seashore as the Phillip Burton Wilderness.

QUESTIONS SUBMITTED BY SENATOR DALE BUMPERS--Cont.

S.543--Point Reyes National Seashore Cont.

QUESTION 1: WHAT IS THE ADMINISTRATION'S PURPOSE IN OPPOSING THIS LEGISLATION?

ANSWER: Our purpose is to maintain the integrity of the naming system applicable to units of the National Park System. Generally parks, and wilderness areas within them, are named after the principal geographic feature they contain. Thus, park names reflect local geographic usage. The only exceptions are when a park area is created to memorialize or commemorate a specific person who is associated with the resource and is of historic significance in his or her own right. The policy of adhering to local usage has several benefits, primarily stability. In opposing S.543 we seek also to avoid numerous name changes that may in the future be made to honor contemporary public figures. Local geographic names generally have been in use for many years, and their use in naming parks is consistent with the purpose for setting parks aside--for the benefit of future generations. Renaming parks for contemporary public figures is not consistent with the stability and permanence that marks the purpose of parks. Our recommendation is consistent with the policy of the Board on Geographic Names that present-day local usage should be followed whenever possible.

QUESTION 2: WHAT IS THE ESTIMATED COST FOR CHANGING SIGNS, MAPS, ETC., IN ORDER TO RECOGNIZE THE LATE CONGRESSMAN BURTON FOR HIS WORK IN ESTABLISHING THIS WILDERNESS AREA?

ANSWER: We do not anticipate that any additional costs would be incurred. If the Point Reyes National Seashore Wilderness were redesignated the "Phillip Burton Wilderness Area," it is likely that signs recognizing the Congressman's support will replace present signs when the present signs no longer meet NPS standards. The National Park Service will consider having printed stickers identifying the Phillip Burton Wilderness to adhere to the present park brochure, not unlike the stickers applied to the Golden Gate NRA brochure when the area was dedicated to the late Congressman Burton. Any new printings of the Point Reyes National Seashore brochure would reflect the new wilderness designation should S.543 be enacted.

APPENDIX II

Additional Material Submitted for the Record

STATEMENT OF HONORABLE DON YOUNG, APRIL 29, 1985, Regarding S. 444

Mr. Chairman and Members of the Subcommittee:

Thank you for the opportunity to express my support for S. 444, a bill which deserves the support of the Subcommittee. I have introduced identical legislation in the House, and the Interior Committee originally had scheduled a hearing for April 25. However, the hearing was cancelled due to my good friend John Seiberling's doctor's orders following successful surgery. John will be back soon, and we intend to move quickly with the legislation in the House.

The exchange will accomplish three major objectives of concern to the United States. First, it will enhance the opportunities for NANA to fulfill the economic purposes of the Alaska Native Claims Settlement Act by the development of NANA's Red Dog Mine, a major lead-zinc deposit, and thus provide for the social and economic needs of NANA's shareholders.

Second, the exchange will benefit the Krusenstern National Monument and therefore the interest of the public in the ownership and management of public lands.

Finally, the exchange will benefit the United States, because the development of Red Dog will increase the United States' recoverable reserves of zinc by more than 33 percent, from 25 million tons to almost 40 million tons of metal. When in full production, Red Dog will produce 300,000 tons of zinc per year, almost doubling United States' annual production. United States mines now produce less than one-third of the annual zinc requirements of the United States of 1 million tons and Red Dog will increase annual production to two-thirds of that amount. In addition, our balance of payments will be helped, for exports

will total about $250 million a year in current dollars, about one-third of which will be with Japan.

The background is this. NANA, pursuant to the Settlement Act, selected and received lands that contain a major lead-zinc deposit. NANA negotiated an agreement with Cominco Alaska to develop its deposits, known as the Red Dog Mine. Timely development of the deposits is extremely important to NANA if its Native shareholders are to enjoy all of the potential benefits of the Settlement Act. It is estimated that when fully developed, the mine will employ approximately 400 individuals, most of whom will be residents of the NANA Region and NANA shareholders. The estimated life of the mine is 50 years, and the annual income from these jobs is estimated to be approximately $15 million.

At the present time there is no economic base within the NANA Region that can offer even remotely sufficient job opportunities to the residents, with the result that many seek employment outside the Region, with all of the attendant dislocation. Development of the Red Dog Mine will change that.

The mine is landlocked, and it is located north of the Cape Krusenstern National Monument. To develop the mine an access road and port site must be constructed.

A September, 1984, Environmental Impact Statement for the Red Dog Mine Project determined that the environmentally preferred as well as economically acceptable route was across the Monument.

NANA owns lands and conveyance rights in lands totalling approximately 195,043 acres within the Monument. While not all

of the lands subject to selection by NANA within the Monument ultimately will be conveyed to NANA, it is anticipated that substantial acreage will be.

In order to facilitate access to the Red Dog Mine, NANA proposed a land exchange to the Department, whereby NANA would exchange lands conveyed to it and lands subject to conveyance to it within the Monument for other lands within the Monument. These lands then could be used for the environmentally preferred and economically acceptable access road. All required federal and state permits would still be needed, however, before the road could be constructed. While access could be sought across the Monument pursuant to Title XI of the Alaska National Interest Lands Conservation Act, by what in effect is a federal right-of-way, Title XI is an untested procedure for obtaining Congressional approval of a right-of-way, and NANA believes at this time that it is in NANA's best interests to seek a legislative land exchange. That will eliminate any uncertainty attendant on a Title XI application. However, it is in NANA's best interest only if the legislation ratifying and authorizing the exchange is enacted promptly.

The proposed exchange consists of the following major provisions:

1. A consolidation of land ownership into contiguous patterns that would provide administrative and resource management benefits to the United States and provide NANA with a block of land meeting its access needs.

2. NANA would receive: (a) title to approximately 62,084 acres of federal lands within the Monument and 600 acres of limited subsurface estate, concentrating its holdings at the northwestern and southeastern corners of the Monument; (b) easements for two winter use trails between Kivalina and Noatak across the Monument and other federal lands; and (c) title to approximately 1,915.25 acres outside the Monument. NANA would also take conveyance to 31,884.67 acres of lands in the northwest corner of the Monument to which it already has vested rights pursuant to ANCSA. This would consolidate NANA's in-holdings within the Monument.

3. The United States would receive from NANA:

a. Conveyance of 1,345 acres of coastal land and relinquishment of selections and selection rights to approximately 103,338 acres within the Monument. Coastal land is more important from an archeological standpoint and having this land in federal ownership is important;

b. A grant in perpetuity of an easement and public use and occupancy rights for a 5-acre administrative tract at the Onion Portage Archeological District at Kobuk Valley National Park;

c. Equitable servitudes and conservation easements for the protection and study of resource values on 10,942 acres of land near Sheshalik -- an important cultural resource area along the coast;

d. Interests and easements for the protection and study of resource values within the 65,274-acre block which would

be crossed by the Red Dog Mine road. These include protections which are essentially the same as would be attached to an approved Title XI right-of-way;

e. Trail easements providing for public access across NANA lands to Monument lands; and

f. For purposes of administrative convenience and to effect the land consolidation within the Monument, NANA will take conveyance to 31,884.67 acres of Settlement Act selections within the northwest corner of the Monument. This "spent" acreage entitlement may diminish NANA's potential conveyances within other units of conservation systems within the NANA region.

In my opinion, the exchange clearly benefits NANA by facilitating development of its Red Dog Mine and benefits and protects the interests of the United States. It provides the United States an opportunity to reduce private inholdings in the Cape Krusenstern National Monument, consolidate land ownership patterns within the Monument, and it resolves the long-term status of major portions of the federal and non-federal lands. It provides for manageable land units and gains additional protective and study provisions that might not otherwise exist for park resources on NANA's private land holdings. Easements also are established which provide for general public access to federal lands and waters and an administrative site is provided at a key location in the Kobuk Valley National Park.

The agreement also protects vital subsistence values. NANA is most sensitive to the subsistence needs of its people and

has provided for this protection both in the agreement NANA negotiated with Cominco and in the land exchange negotiated with the Department. Section 810 of the Alaska National Interests Land Conservation Act requires that if an exchange such as this were accomplished administratively, the agency head or his designee must evaluate the effect of such action on subsistence uses and needs, the availability of other lands for the purposes sought to be achieved and other alternatives which would reduce or eliminate the disposition of public lands needed for subsistence purposes. A subsistence evaluation was prepared by the Department. That evaluation concludes that the exchange will not significantly restrict subsistence uses. NANA's potential development activities will be subject to strict environmental safeguards and restrictions, developed by NANA, in consultation with appropriate state and federal agencies; significant displacement of fish and wildlife is, therefore, not expected to occur, and any relocation of resources utilized for subsistence purposes will not result in those resources becoming unavailable to the nearby residents. No significant restriction of subsistence uses is foreseen. NANA has provided stringent protections as part of the agreement.

In addition, formal consultation was undertaken with the Alaska Regional Office of the Fish and Wildlife Service and a biological opinion was provided concerning endangered species. The opinion concluded that the Arctic peregrine falcon is the only endangered species in the area of the proposed exchange, and that the exchange is not considered to jeopardize any falcons.

Also, in order to assure that the exchange and the activities resulting from the exchange will not adversely affect properties on or eligible for inclusion on the National Register of Historic Places, consultation was initiated with the Alaska State Historic Preservation Officer and the Advisory Council on Historic Preservation. Since the United States acquires lands of significant acreage with cultural resource values, and as a result of the significant restrictions on NANA's development activities, including provisions designed to prevent damage to cultural sites, both the State Officer and the Advisory Council concluded that the exchange would have no adverse effect.

On the federal level, the intergovernmental review of federal programs was combined with the review of the proposed exchange by the State of Alaska pursuant to the Coastal Zone Management Act. The State was advised of the exchange and although the State did not agree that the exchange was consistent to the greatest extent practicable, it indicated that, if certain additional provisions were included in the exchange, it would be consistent with the State program. All but one or two of the suggested changes were agreed to by NANA and the Department and included in the agreement.

The National Park Service, as a matter of sound administrative practice and in order to understand fully the environmental impacts associated with this exchange, prepared a resource evaluation which is the functional equivalent of an environmental impact statement. That evaluation demonstrates that any environmental impacts associated with the land exchange can be mitigated

to an acceptable degree and that the essential integrity of the Monument's resources and values will not be undermined by the exchange, and instead that resource protection and management will be enhanced in several respects.

NANA and the Department formally advised the Alaska Land Use Council of the proposed exchange and it was given an opportunity to comment. A resolution of the Council's Land Use Advisors Committee supported the exchange, and the Council unanimously approved a resolution supporting the exchange.

Notice of the proposal also was published in the Federal Register advising the public of the availability of draft materials regarding the exchange, of a public meeting to be held on the subject May 1, 1984, at Anchorage, Alaska, and the opportunity for public comment at the meeting or in writing. Public comment was heard, received and considered by the parties. In addition, NANA conducted village meetings throughout the Region accompanied by National Park Service personnel to explain the land exchange.

This proposed exchange is in NANA's best interests, the best interests of the Krusenstern Monument and the best interests of the United States. I urge your favorable consideration of S. 444

TESTIMONY OF GOVERNOR BILL SHEFFIELD
IN SUPPORT OF S.444 SUBMITTED FOR
THE RECORD IN HEARINGS HELD BY THE SUBCOMMITTEE
ON PUBLIC LANDS, RESERVED WATERS AND RESOURCE
CONSERVATION OF THE SENATE COMMITTEE ON
ENERGY AND NATURAL RESOURCES ON APRIL 29, 1985

The State of Alaska supports enactment of S.444 and requests that the Committee report it favorably to the Senate.

Pursuant to S.444, a land exchange agreement between NANA Regional Corporation, Inc. and the United States would be authorized and ratified. Subsequent to the exchange, a road would be constructed across the land received by NANA for a transportation system to provide access to the Red Dog mineral deposits conveyed to NANA under the provisions of the Alaska Native Claims Settlement Act, as amended by the Alaska National Interest Lands Conservation Act. A port site also would be developed, and this transportation system would be available to provide access to other mineral deposits in the area of the Delong Mountains.

The proposed exchange agreement was submitted to the State for review pursuant to the State's Coastal Zone Management Plan, and a comprehensive review was coordinated by the Division of Governmental Coordination, Office of Management and Budget, Office of the Governor. The review included analysis by the Department of Natural Resources, the Department of Environmental Conservation, the Department of Fish and Game, and the Department of Transportation and Public Facilities. As a result of this interdepartmental review, certain modifications were suggested and made to the agreement to meet concerns expressed by the various State departments.

The State favors enactment of S.444 for several reasons. Access to the Red Dog deposits is necessary for development, and the exchange agreement will permit construction along the route that is least sensitive to environmental disruption. In addition, the exchange agreement spells out in great detail the conditions that will be imposed upon construction, maintenance, and reclamation of the road. These conditions are designed to minimize any adverse effect construction and maintenance will have on the environment, including fish and wildlife, and on the values of the Cape Krusenstern National Monument.

Equally important, the agreement also establishes procedures designed to assure that construction, operation, and maintenance of the system do not adversely affect the subsistence activities of the rural residents of the area. This is extremely important to NANA and the State because of the significance of subsistence to the residents.

The State also supports enactment of S.444 because the exchange will facilitate construction of the road and thereby development of the Red Dog deposits, which means that NANA will enjoy directly and indirectly the benefits intended to be conferred on it by the 1971 Settlement Act. The direct benefits will flow from the payments received by NANA from bonuses and royalties and, eventually, net profits after payout, and the indirect benefits will come from the substantial local employment that will accompany development. Red Dog will provide a very significant economic base for Northwest Alaska. The State, of course, also will benefit generally from such an economic base and from future developments.

Thank you for this opportunity to present the views of my Administration on S.444. I respectfully request that my statement be included in the hearing record.

ALASKA LAND USE COUNCIL

P.O. Box 120
Anchorage, Alaska 99510

(907) 272-3422

State Co-Chairman
Bill Sheffield
Governor

Federal Co-Chairman
Vernon R. Wiggins

March 28, 1984

The Honorable William Clark
Secretary of the Interior
18 and C Streets, NW
Washington, DC 20240

Dear Mr. Secretary:

At the March 21, 1984, meeting of the Alaska Land Use Council, the Council voted unanimously to approve the attached resolution supporting the land exchange at Cape Krusenstern, as outlined in the letter of intent, dated March 12, 1984, between you and the NANA Corporation.

We believe that this exchange is a positive step forward in Alaska land management, and we are pleased to lend our support to this cooperative endeavor.

Sincerely,

Bill Sheffield, Governor
State Cochairman

Vernon R. Wiggins
Federal Cochairman

Enclosure

cc: Russ Dickenson, Director, NPS
Robert Burford, Director, BLM

bcc: Alaska Land Use Council
Land Use Advisors Committee
Ric Davidge, Office of Asst. Sec., FWP

ALASKA LAND USE COUNCIL

P.O. Box 120
Anchorage, Alaska 99510

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State Co-Chairman
Bill Sheffield
Governor

Federal Co-Chairman
Vernon R. Wiggins

RESOLUTION
OF THE
ALASKA LAND USE COUNCIL
REGARDING NANA DEVELOPMENT CORPORATION

WHEREAS, the Secretary of the Interior has the authority under Section 1302(h) of ANILCA and Section 22(f) of ANSCA to enter into land exchanges with Native corporations which involve land in conservation system units; and

WHEREAS, the Secretary of the Interior, William Clark, and the NANA Corporation have signed a Letter of Intent to pursue a land exchange within Cape Krusenstern National Monument; and

WHEREAS, the Land Use Advisors Committee to the Alaska Land Use Council has approved a resolution in support of a land exchange between NANA and the Department of Interior as outlined in the Letter of Intent; and

WHEREAS, the land exchange would be of substantial benefit to the Department of Interior by increasing the acreage under National Park Service management within Cape Krusenstern National Monument, by the consolidation of private land within the monument, and by securing protective covenants which further the purposes for which the Monument was created; and

WHEREAS, in addition to the overall enhancement of the Cape Krusenstern National Monument, the United States will acquire from NANA an administrative and recreational site at Onion Portage on the Kobuk River within the Kobuk Valley National Park;

NOW THEREFORE BE IT RESOLVED, that the Alaska Land Use Council supports the land exchange at Cape Krusenstern as outlined in the Letter of Intent signed by the Secretary and the NANA Corporation, and urges both parties to the exchange to undertake the remaining administrative procedures, including any hearing processes, necessary to conclude the exchange.

Passed and approved this 21st day of March, 1984.

Bill Sheffield, Governor
State Cochairman

Vernon R. Wiggins
Federal Cochairman

MEMORANDUM State of Alaska

TO Distribution List

DATE December 11, 1984

FILE NO

TELEPHONE NO 465-3562

SUBJECT Cape Krusenstern Land Exchange Agreement Consistency Letter

FROM Diane Mayer
Senior Analyst
Division of Governmental Coordination
Office of Management and Budget

The December 6, 1984, consistency letter on the Cape Krusenstern Land Exchange from Robert Grogan to Roger Contor, contained two page-specific comments which had minor errors that could potentially broaden their intended meaning. First, the addition to the page 11, line four comment was intended to link the Section A, C, and D procedures of Exhibit B to only the future expansion of the Red Dog road and port. The page 30, Section 13 comment contained a typographic error in the sixth line.

For clarity, each of these errors have been corrected on the attachment to this memorandum. Please replace the original page 1 of the page-specific comments with the attached copy.

Attachment

Distribution List

Commissioner Wunnicke, DNR, Juneau
Commissioner Neve', DEC, Juneau
Commissioner Collinsworth, DFG, Juneau
Commissioner Knapp, DOTPF, Juneau
Don Argetsinger, NANA, Anchorage
Dick Stenmark, NPS, Washington, D.C.
Bill Ross, Office of the Governor, Washington, D.C.
John Sims, DCED, Fairbanks
Tom Hawkins, DNR, Anchorage
John Clark DFG, Juneau
Laura Davis, DOL, Juneau
Jan Sorice, DGC, Fairbanks
Robert Venusti, DOTPF, Fairbanks
Burt Wagnon, AIDA, DCED, Anchorage

pk84121001dmd

Enclosure
Grogan to Contor
December 6, 1984
CAPE KRUSENSTERN LAND EXCHANGE AGREEMENT

PAGE SPECIFIC COMMENTS

1. EXCHANGE AGREEMENT

Page 11, fourth line. Amend to read:

> . . . material may be used only for the [LIMITED] purposes of construction and maintenance of the Red Dog Transportation system road from the port site to the Red Dog Mine and the port site as initially constructed and necessary for the Red Dog Mine [:] and any future expansion of the Red Dog road and port to a regional transportation system. Any such future use of the material site after the initial construction and maintenance of the Red Dog road and port will be subject to the procedures of section A, C, and D of Exhibit B.

Page 30, Section 13. Add to sentence:

> . . . except that the Alaska Department of Fish and Game shall be able to go to court if NANA proceeds with the Caribou Monitoring Program, as defined by Section E of Exhibit B, without receiving ADF&G's approval of the specifications of the contract or the selection of the contractor, or if NANA proceeds with restriction on construction or control of traffic on the system without having given due consideration to the views of the ADF&G.

2. Exhibit A

Page 1, Section A.

We note that this section does not have any specific timing requirements to the application of State or federal permits. The reasons for this discontinuity with Exhibit B are not apparent, and as such, present yet another exception to the developing set of review procedures from project proposals.

United States Department of the Interior
NATIONAL PARK SERVICE
ALASKA REGIONAL OFFICE
2525 Gambell Street, Room 107
Anchorage, Alaska 99503-2892

IN REPLY REFER TO:

L1425(ARO-OLM)

DEC 12 1984

Mr. Robert P. Grogan
Division of Governmental Coordination
Office of the Governor
Pouch AM
Juneau, Alaska 99811

Dear Mr. Grogan:

This letter is in reference to the proposed land exchange within the Cape Krusenstern National Monument. During informal discussions with members of your staff in conjunction with the state's review of the proposed land exchange agreement between NANA Regional Corporation, Inc. and the National Park Service, concern was expressed that the agreement did not specifically address the fact that the proposed road across lands to be acquired by NANA pursuant to the agreement could eventually be integrated into a state regional transportation system which would be available to other industrial users, and that such integration could require additional modification of the road.

Please be advised that the National Park Service and NANA are aware of this potential and that additional construction, as necessary, is permitted under the terms of the agreement as long as the construction is in compliance with the other applicable provisions and procedures of the agreement. Generally these sections establish the criteria to be met and the procedures to be followed prior to commencement of construction.

We hope this letter answers any questions or concerns you have about this issue.

Sincerely,

Roger J. Contor

Regional Director
Alaska Region

STATE OF ALASKA

OFFICE OF THE GOVERNOR

OFFICE OF MANAGEMENT AND BUDGET
DIVISION OF GOVERNMENTAL COORDINATION

BILL SHEFFIELD, GOVERNOR

CENTRAL OFFICE
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SOUTHEAST REGIONAL OFFICE
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SOUTHCENTRAL REGIONAL OFFICE
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SUITE 700
ANCHORAGE ALASKA 99503-2798
PHONE (907) 274-1581

NORTHERN REGIONAL OFFICE
675 SEVENTH AVENUE
STATION H
FAIRBANKS ALASKA
PHONE (907) 456-3084

Alaska Region Office
DEC 10 '84
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December 6, 1984

Mr. Roger Contor
Regional Director
National Park Service
Alaska Regional Office
2525 Gambell Street, Room 207
Anchorage, AK 99503

Dear Mr. Contor:

The Division of Governmental Coordination has completed the interdepartmental review of the Cape Krusenstern Land Exchange Agreement between the Department of the Interior and the NANA Regional Corporation. This State consistency review is authorized by, and conducted in accordance with, Section 301(c)(1) of the Coastal Zone Management Act, 16 U.S.C. Section 1456(c)(1).

Based on our review, we do not agree with the conclusion of your consistency determination, specifically that "the proposed exchange agreement is consistent to the maximum extent practicable with the enforceable policies and provisions of the Alaska Coastal Management Program (ACMP)." However, we have enclosed alternative language which, if incorporated into the exchange document, would make the agreement consistent with the standards of the ACMP.

Our major concerns with the agreement are discussed below. The enclosed page-specific comments are primarily intended to resolve these concerns, to respond to other minor concerns, and to provide additional clarity on other aspects of the agreement.

The Regional Transportation System vs. The Red Dog Road

The resource potential of the Delong Mountains, though not completely known, is very high. The investigation of two large mineral deposits in the area has prompted application to the State for two transportation rights-of-way to provide independent service to each deposit. Throughout the course of administrative reviews of the Red Dog Mine Project, the State has premised its reviews and discussions on the concept of developing a single regional transportation system which could serve industrial

development in the Delong Mountains for the foreseeable future. These reviews include the initial processing of the State right-of-way applications, the draft and final Environmental Impact Statement (EIS), and the consistency review for the Title XI permits. (See Red Dog Mine Project, DEIS and FEIS, Chapter 1, Issue Number 9.)

Though the Land Exchange Agreement is administratively distinct, the subject of the Delong regional transportation system, which will initially be comprised of the Red Dog Mine Transportation System, is common to each of these reviews. To ensure there is a continued understanding about the potential for upgrading this initial Red Dog System to serve the demands of a future regional transportation system, references to the transportation system should be changed as appropriate. The phased development of a consolidated transportation system will prevent the future proliferation of facilities within the coastal zone, and thus minimize the potential impacts to fish and wildlife.

Air, Land, and Water Quality Standards

The State Department of Environmental Conservation (DEC) has jurisdiction over air, land, and water quality in the State. The State air, land, and water quality standards, as administered by DEC, are incorporated into the ACMP by reference, 6 AAC 140. Though sections of the exchange agreement contain standards which also relate to air, land, and water quality, all development projects must, at a minimum, meet the DEC standards. The enclosed page-specific comments incorporate references to the DEC standards to clarify this requirement.

The National Park Service (NPS) Review Process

One of the overall objectives of the Coastal Zone Management Act is "to provide flexible procedures which foster intergovernmental cooperation and minimize duplicative effort and unnecessary delay" . . . (15CFR 930.1(c)). Our following comments are offered to ensure we have a common understanding of the NPS review process as defined by this agreement. Our primary interest is to clarify the review requirements for projects which may succeed the construction of the initial Red Dog Mine Transportation System.

Exhibit B, to the exchange agreement, defines the review process and criteria to be applied by the NPS in their evaluation of project proposals for lands acquired by NANA through the agreement. The relationship of Section A, Section B, and Section C of Exhibit B is not explicitly stated for subsequent project proposals. Any proposals related to the initial Red Dog Mine Transportation System are subject to the terms and conditions of Section A, B, and C of Exhibit B as is stated on page 3,

paragraph 1 of Exhibit B. This process for the Red Dog Mine System is also restated in item 6, page 22.

It is our understanding that all subsequent project proposals are subject only to the requirements and procedures of Sections A and C. Language within Section B has been amended to clarify that the Section B requirements will not be applicable to proposals related to any potential expansion of the Red Dog Mine Transportation System which may be proposed to serve other resource development users in the Delong region.

We appreciate your careful consideration of these comments and the enclosed page-specific language amendments.

Sincerely,

Robert L. Grogan
Associate Director

Enclosure

cc: Commissioner Wunnicke, DNR, Juneau
Commissioner Neve', DEC, Juneau
Commissioner Collinsworth, DFG, Juneau
Commissioner Knapp, DOTPF, Juneau
Don Argetsinger, NANA, Anchorage
Dick Stenmark, NPS, Washington, D.C.
Bill Ross, Office of the Governor, Washington, D.C.
John Sims, DCED, Fairbanks
Tom Hawkins, DNR, Anchorage
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Jan Sorice, DGC, Fairbanks
Robert Venusti, DOTPF, Fairbanks
Burt Wagnon, AIDA, DCED, Anchorage

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Enclosure
Grogan to Contor
December 6, 1984
CAPE KRUSENSTERN LAND EXCHANGE AGREEMENT

PAGE SPECIFIC COMMENTS

1. EXCHANGE AGREEMENT

Page 11, fourth line. Amend to read:

> . . . material may be used only for the [LIMITED] purposes of construction and maintenance of the Red Dog Transportation system road from the port site to the Red Dog Mine and the port site as initially constructed and necessary for the Red Dog Mine [:] and any future expansion of the Red Dog road and port to a regional transportation system. Any such future use of the material site after the initial construction and maintenance of the Red Dog road and port will be subject to the procedures of section A, C, and D of Exhibit B.

Page 30, Section 13. Add to sentence:

> . . . except that the Alaska Department of Fish and Game shall be able to go to court if NANA proceeds with the Caribou Monitoring Program, as defined by Section E of Exhibit B, without receiving ADF&G's approval of the specifications of the contract or the selection of the contractor, or if NANA proceeds with restriction on construction or control of traffic on the system without having given due consideration to the views of the ADF&G.

2. Exhibit A

Page 1, Section A.

We note that this section does not have any specific timing requirements to the application of State or federal permits. The reasons for this discontinuity with Exhibit B are not apparent, and as such, present yet another exception to the developing set of review procedures from project proposals.

Page 31, new number 21. Add the following sentence:

> Nothing in this agreement or the Exhibits thereto shall be construed as displacing or diminishing the authority of any State agency, or the right to exercise such authority given pursuant to State or federal law.

3. Exhibit B

Page 1, Section A. For clarity, amend as follows:

> Prior to any surface disturbing activities other that the construction of subsistence cabins and related facilities, which could result in an expenditure of more than $10,000.00 in 1984 dollars, including the cost of labor and materials, NANA, or its successor in interest, shall draft a development and operation plan and shall provide it to the National park Service . . .

Page 3, first paragraph. Add the following sentence:

> For purpose of this agreement, the Red Dog Mine Transportation System may serve as the initial phase of a regional transportation system and any modifications, addition, or expansion of the Red Dog System to serve future regional transportation needs will be subject to Sections A, C, and D of Exhibit B.

Page 3, Section B. Amend as follows:

> . . . the federal and State permit applications filed after the execution of this agreement, other plans to be provided to the National Park Service for the Red Dog Mine Transportation System pursuant to this Exhibit B, Section B, and any additional agreement between NANA and the National Park Service entered into pursuant to paragraph (B)7 of this Exhibit B, shall meet the development and operation plan requirement of this Exhibit B.

Page 3, Section B, last sentence

> All responsibilities of NANA under the provisions of this [Agreement] Exhibit B, Section B shall also apply to NANA, its successors and assigns, its contractors, and their employees.

Page 4, top of page. Amend as follows:

> Description of the [System] Red Dog Mine Transportation System

Page 5, second paragraph. Amend as follows:

The road will initially serve as access for the Red Dog Mine. [for the expected] The mine project life [which presently] is estimated at 50 years.

Page 5, last paragraph. Amend as follows:

Associated construction facilities will be confined to warm-up shacks, temporary [fuel] storage sites for fuel, construction equipment and materials, and solid waste collection sites. Each of these activities will be carried out within the [ROAD PRISM] road corridor. Warm-up shacks will be located on skids, fuel storage will conform with Alaska Department of Environmental Conservation (ADEC) criteria for temporary storage. All solid waste will be collected and disposed of outside the Monument boundary [EITHER AT THE MINE, SEA COAST OR OTHER] at sites approved by the ADEC. Upon completion of individual segments of the road, all temporary facilities will move forward with construction, leaving no facilities, other than those necessary for safety, within the A(1) and A(2) lands.

Page 6, middle of page. Amend as follows:

The plans and applications for the Red Dog Mine Transportation System to be reviewed under the provisions of this section (B) will address, at a minimum, the following:

Page 9, item c, new #7 and 8.

(5) dust control measures; [and]

(6) erosion control measures [.];

(7) culvert icing and aufeis control; and

(8) fish passage measures.

Page 9, item C new last sentence.

If the Red Dog Mine Transportation System, or any subsequent Regional Transportation System becomes part of the State road system, the road maintenance plan shall include the items listed in part 2c and shall be prepared according to the requirements of the State Department of Transportation of Public Facilities, and a copy furnished to NPS.

Page 10, paragraph 2. Amend as follows:

. . . to prevent blockages and siltation of [anadromous] fish streams.

Page 11, paragraph 1. Amend as follows:

. . . bridges and other structures included within the road design [.], or necessary to support road construction in a sound and prudent manner.

Page 12, paragraph 1.

. . . material sites and the road prism, removal of culverts from fish streams, and alternative revegetation techniques.

Page 12, Item 5a. Amend as follows:

. . . explosives shall comply with the provisions of law [and], regulations, and guidelines administered by the Alaska Department of Fish and Game in connection with fish."

Page 14, paragraph 1. Amend as follows:

. . . title VIII of ANILCA[.], and shall not apply to activities authorized by the Alaska Department of Fish and Game under a permit to import, export, take, possess live game for scientific, educational, or other purposes.

Page 14, paragraph 2. Amend as follows:

Access for hunting, fishing, or trapping on A1 or A2 lands will be prohibited during construction and operation of the transportation system, . . .

Page 15, Item 5g. Amend as follows:

NANA will use all reasonable means to minimize waste pollution and will comply with Alaska State Water Quality Standards, 11 AAC 70.010-110.

Page 15, Item 5h. Amend as follows:

NANA will use all reasonable means to minimize air pollutions and will comply with Alaska State Air Quality Standards, 18 AAC 50."

Page 15, Item j. Add new sentence:

Similarly, State agency representatives shall have reasonable access to the area of operations on lands subject to this agreement, to properly inspect, monitor, and insure compliance with the relevant terms and conditions of Alaska State laws, regulations and permits relating to the construction, operation, and maintenance of the transportation system.

Page 16, Item 5j. Amend as follows:

Insecticides and herbicides shall be used only in a manner consistent with NPS policy and Alaska State Pesticide Control Standards, 18 AAC 90.

Page 16, Item 5p. Amend as follows, ". . .

. . . water uses from lakes [AND], ponds and streams [PARTICULARLY] during winter conditions, shall not [WITHDRAW AN AMOUNT THAT DEPLETES THE AVAILABLE SUPPLY BELOW THAT NECESSARY TO PROTECT OVERWINTERING FISH POPULATIONS IN ACCORDANCE WITH APPLICABLE STATE AND FEDERAL LAWS AND REGULATIONS] be allowed November 1 - June 1 unless specifically permitted by Alaska Department of Natural Resources after concurrence from Alaska Department of Fish and Game."

Page 17, Item m. Amend as follows:

The plan, which must meet the regulatory requirements of EPA and ADEC, 18 AAC 75, will . . .

Page 18, Item n. Amend as follows:

Gray water may be discharged to the surface only if it is filtered, disinfected and not directly discharged into streams or lakes and the discharge is in accordance with the Alaska State wastewater disposal standards, 18 AAC 72.

Page 18 Item o. Amend as follows:

. . . to minimize loss of soil and to protect water quality of [anadromous] fish streams.

Page 31, Third Paragraph: Amend as follows:

NANA shall give due consideration to the views of the National Park Service and the Alaska Department of Fish and Game on the imposition of temporary restrictions beyond those recommended by the monitoring contractor. In the event of disagreement between NANA, the Alaska Department of Fish and Game, and the National Park Service concerning the imposition of such restrictions, the final determination shall be made by NANA;

Resource Development Council
for Alaska, Inc.

807 "G" Street, Suite 200, Anchorage, Alaska 99501-3448
Box 100548, Anchorage, Alaska 99510-0548 - 907/276-0700

Committee File

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April 17, 1985

Senator James McClure
Senate Energy and Resources Committee
United States Senate
Washington DC 20510

re: Congressional approval of the NANA/Cape Krusenstern land exchange

Dear Senator McClure:

The Resource Development Council for Alaska will be unable to attend the hearing scheduled later this month on S. 444. In lieu of an oral presentation I hope you will accept these remarks for the record regarding this legislation.

The Resource Development Council is made up of labor unions, local communities, trade associations, businesses, and individuals. More than 10,000 Alaskans are affiliated with RDC.

We have carefully reviewed the provisions of the land exchange between the Park Service and NANA Regional Corporation and we fully support the document signed in January of this year. As a natural progression of this support, we also support S. 444.

By amending the Alaska Native Claims Settlement Act to incorporate the provisions of this legislation we feel the Congress will be saving all concerned parties from possible legal challenges to the administrative land exchange. This bill will unequivocally establish statutory support of this land exchange.

Thank you for the opportunity to comment on this important legislation.

Sincerely,

RESOURCE DEVELOPMENT COUNCIL
for Alaska, Inc.

Charles R. Webber
President

[illegible]
05058 A 04021 NL ANCHORAGE ALASKA 76 05-10
1147 ADT 1910Z EST

Telegram

202-224-5101
TONY BEVINETTO COMMITTEE ON ENERGY AND NATURAL RESOURCES
ROOM 308 DIRKSEN SENATE OFFICE BUILDING
WASHINGTON DC 20510

WISH TO ADVISE THAT ALASKA STATE LEGISLATURE GAVE FINAL APPROVAL TO LEGISLATION MAY 7TH PROVIDING FINANCING MECHANISM FOR RED DOG PROJECT ROAD AND PORT, ABILITY TO CONSUMATE BOND SALE IN CONNECTION WITH THIS FINANCING CONTINGENT ON COMPLETION OF CAPE KRUSENSTERN LAND EXCHANGE, MARKUP OF 8,444 ON MAY 22 IF AT ALL POSSIBLE WOULD ASSIST TREMENDOUSLY IN THIS REGARD. RICHARD BAENEN, NANA WASHINGTON COUNCIL, PREPARED TO ASSIST IN ANY WAY YOU DESIRE. YOUR ASSISTANCE GREATFULLY APPRECIATED.
SINCERELY,
JOHN SCHAEFFER, PRESIDENT
NANA REGIONAL CORPORATION INC

1910Z EST

IPMPOMX WSH

Northern Alaska Environmental Center

218 DRIVEWAY
FAIRBANKS, ALASKA 99701
(907) 452-5021

WRITTEN STATEMENT OF MIKE MATZ, ASSOCIATE DIRECTOR, THE NORTHERN ALASKA ENVIRONMENTAL CENTER, FOR THE RECORD ON THE APRIL 29, 1985, HEARING OF S. 444 BEFORE THE PUBLIC LANDS AND RESERVED WATER SUBCOMMITTEE OF THE SENATE ENERGY AND NATURAL RESOURCES COMMITTEE.

The Northern Alaska Environmental Center, a non-profit environmental education and advocacy organization concerned with sound management and wise development of Alaska's valuable natural resources, has in our fifteen year history remained interested and involved, on behalf of our 700 members, in conservation issues in interior and arctic Alaska. One such issue is the Cape Krusenstern land exchange, proposed in S. 444, which will facilitate development of a road and port that would service the Red Dog lead-zinc mine. The Northern Center appreciates the opportunity to provide our written comments for inclusion into the record of the public hearing on this legislation.

The issue central to this legislation is not whether one is a proponent or opposer of the development at Red Dog, but whether the proposed route of the road and associated port site would best serve the regional transportation needs for all future development in the area. It should be made clear that the Northern Alaska Environmental Center does not oppose the Red Dog mine or other potential development in the area, but we are interested in seeing any development occur in an environmentally sound manner. It is our contention that the route

which will be allowed for as a result of this legislation, S. 444, is not adequate to accomplish that goal.

ENVIRONMENTAL REVIEW INCOMPLETE AND DEBATABLE

The only environmental assessments regarding the proposed road corridor necessary to service the Red Dog mine are the Environmental Impact Statement for the project, jointly prepared by the Environmental Protection Agency and the Department of Interior, and the Resource Evaluation of the proposed land exchange, prepared by the National Park Service. By assessing routes to service only the Red Dog project, neither are sufficient in their assessment of the regional transportation needs for the Noatak district, known also as the western DeLong Mountains mineralized area.

Located in the vicinity of the Red Dog deposit are several developable deposits. The Lik deposit, the rights to which are held by GCO Minerals, lies twelve miles to the north and west of Red Dog, and contains estimated reserves of 25 million tons of 12 percent combined lead and zinc ore. The Story Creek deposit, several miles to the east, has unknown reserves placed at 29 percent zinc, which is more than 10 percent higher grade ore than exists at Red Dog. In addition, the Ginny Creek, Drenchwater, and Omar-Frost deposits occur in the Noatak district and have yet to be assessed for their reserves and ore grade, but are considered to be significant copper, lead, zinc, silver and gold prospects. (Alaska's Mineral Industry 1983, special report #33 by AK Office of Mineral Development.)

Significant strategic mineral deposits, presently unexplored, are also known to exist in the Avan Hills and Misheguk Mountain areas north of Red Dog, and the potential exists for similar occurrences.

(Ibid.) Alaska's most massive coal deposits are located in the Noatak district north and east of the Red Dog project (EIS, V-89), and the Morgan Coal Company, which is already in the initial stages of considering development of a coal field, has expressed interest in utilizing the road and port site of the Red Dog development.

Assumably, most if not all of the deposits in this highly mineralized area will be economically feasible to develop at some point if any transportation system is built into the area and market conditions are favorable. The key, then, is to find the most environmentally sensitive route and port site that will service all potential development in the region.

Unfortunately, the environmental assessment of a road and port facility contained in the two aforementioned documents was conducted only in the context of the Red Dog project, without even cursory attention paid to the implications of further development. The EIS admits that "if construction of a road and port for the Red Dog project does promote development of other industrial resource projects in the region, their incremental impacts would raise the ultimate overall impacts from initial development of Red Dog." (EIS, V-89.)

How signicantly those overall impacts would be raised is not evaluated. It is not inappropriate to infer, however, that connecting road systems, increased road use, and expanded port facilities, necessary to accomodate these potential developments, would result in much more significant impacts than what is presented in the EIS.

IMPACTS TO ENVIRONMENT AND CAPE KRUSENSTERN NATIONAL MONUMENT

Supported by the assessment in the EIS, the general assumption is that the Kruz route, the route which traverses the Cape Krusenstern

National Monument, is the environmentally preferred route.

However, a study done by the state, the 1981 Western and Arctic Alaska Transportation Study (WAATS), identified a preferred transporation corridor and port for mineral development in the region that lies well to the north of Cape Krusenstern National Monument. Moreover, a study conducted under the auspices of BCO Minerals (for some reason unavailable to the public) apparently also favors a northern route to the coast that avoids the Monument.

It would appear that these studies support the notion that a more regionally servicing route exists. It is likely these potential routes are far less environmentally damaging, when critically assessed in the context of a regional transportation system, instead of concentrating solely on the Red Dog project, but since this has not been done it is not conclusively known either way. Yet, a northern, regionally servicing route would not impair the purposes for which Cape Krusenstern National Monument was created, while the presently proposed Kruz route and associated port facility are seriously incompatible with those purposes, regardless of the purported benefits of the exchange.

RECOMMENDATIONS

We strongly encourage unfavorable consideration of S. 444 because of its limited scope and lack of consideration of the total picture. In Alaska remains the last opportunity in the nation to adequately plan for development, especially in a roadless and undeveloped area such as this, and this has not been accomplished.

We also would hope the members of the subcommittee realize the merits of an assessment of a broader scope and would actively seek

such an assessment before reaching a premature conclusion that this land exchange serves the public interest with regards to this nationally significant Monument.

SUMMARY

It should be clearly understood that in no way does our organization oppose the development of the Red Dog mine or other mineral deposits in the area. Our organization appreciates the benefits to be derived from development of the Noatak district by the residents in that economically depressed region, by a state still precariously dependent solely on fluctuating oil revenues, and by a nation which now imports a substantial portion of its strategic minerals from abroad.

We furthermore appreciate the conscientious manner in which representatives of NANA Corporation have approached this project, and kept all interested apprised of the issues surrounding this complex development.

Nevertheless, our organization maintains an interest in development of Alaska's resources that sensitively considers the unique and fragile environment, and that wisely plans for the future as comprehensively as is feasible in order to avoid unfortunate mistakes.

While it may be contended that this has been done, it has been done only for the Red Dog project, and all assessments have completely ignored the rest of the region. Because such consideration has been neglected, in an earnestness to see this project fly before market conditions actually warrant development and production without a subsidy/loan from the state, we adamantly oppose S. 444.

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* Immediate Past Chairman
† Honorary

April 24, 1985

The Honorable Malcolm Wallop, Chairman
Subcommittee on Public Lands and Reserved Water
Committee on Energy and Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

The opportunity you and your Subcommittee have provided the American Mining Congress to comment on S.444, a bill to amend the Alaska Native Claims Settlement Act, is most appreciated, and I would ask that these comments be made part of the hearing record.

The American Mining Congress is an industry association that encompasses: (1) producers of most of America's metals, coal and industrial and agricultural minerals; (2) manufacturers of mining and mineral processing machinery, equipment and supplies; and (3) engineering and consulting firms and financial institutions that serve the mining industry.

We urge that your Committee report out S.444 unamended. To amend it could open the Alaska Native Claims Settlement Act and possibly the Alaska National Interest Lands Conservation Act (ANILCA) to a prolonged debate. Such a time delay would be costly indeed to NANA Regional Native Corporation in meeting its objectives of employment and economic development.

The exchange will be of benefit to our country in several ways in addition to enhancing the opportunities of NANA.

It will benefit the Cape Krusenstern National Monument consolidating land ownership patterns within the monument. In addition, the development of Red Dog Mine, to be served by the transportation corridor authorized in S.444, will help enhance our national security through increasing our Nation's recoverable reserves of zinc, a mineral now predominantly imported rather than domestically produced.

Although it is our understanding that a land exchange providing a Cape Krusenstern National Monument transportation corridor could be accomplished administratively, a legislative solution would put to rest potential judicial actions and provide the most expeditious and long-lasting solution to the issue.

Please allow us the opportunity to answer questions you may have concerning this statement.

Sincerely,

J. Allen Overton, Jr.
President

SUBMITTED STATEMENT

OF

JANIE LEASK, PRESIDENT

ALASKA FEDERATION OF NATIVES,

ANCHORAGE, ALASKA

Submitted to the Subcommittee on
Public Lands, Reserved Waters and
Resource Conservation of the Committee on
Energy and Natural Resources of the United States
Senate for Inclusion in the Hearing Record on S. 444

The Alaska Federation of Natives ("AFN"), the statewide entity representing the twelve regional corporations and several hundred village corporations formed pursuant to the Alaska Native Claims Settlement Act of 1971, appreciates the opportunity to comment on S. 444 which would authorize and ratify the proposed Cape Krusenstern land exchange between the United States and the NANA Regional Corporation. AFN supports this exchange and S. 444.

When Alaska Natives received land under the Alaska Native Claims Settlement Act of 1971 ("ANCSA"), the settlement was intended to provide us a base to help ensure cultural and economic independence. Neither we nor the Congress wanted to create a situation that depended upon long-term federal management and subsidy. Native self-determination was our goal; ANCSA provided us the tools to help improve the future with minimum outside assistance.

In 1980 when Congress passed the Alaska National Interest Lands Conservation Act ("ANILCA"), it recognized the need to provide access to private lands, including Native lands, state

lands and federal lands not part of any conservation system unit. Providing adequate access in many cases would require crossing conservation units that lie between private inholdings and a port or other potential trans-shipment point. The Native community supported the creation of many of the conservation units because the right to access was included in ANILCA. Without adequate access, the objective of economic and cultural development envisioned by Congress and the Native community in 1971 becomes largely unattainable.

In the case of the Cape Krusenstern land exchange, which will secure the access required by NANA in development of its Red Dog ANCSA selections, it is quite evident that NANA carefully evaluated all of the options for obtaining access and, after consultation with its shareholders residing in the Native villages most affected, approved a route of transportation which is the most acceptable from the point of view of the entire environment and the subsistence and land use patterns and preferences of its shareholders.

Consummation of the proposed exchange pursuant to Section 22(f) of ANCSA and Section 1302(h) of ANILCA, further ratified by the passage of S. 444, conveys to NANA the lands necessary to construct a transportation system linking its Red Dog mineral deposit with the Chukchi Sea along a route considered by all of those truly familiar with the project and its transportation alternatives to be environmentally superior while at the same time granting to the United States lands of equal or superior park values elsewhere within the boundaries of the National

Monument. It should be noted that while the AFN supports NANA's choice of transportation option, we emphasize that it is the position of the AFN that sections 1302(h) of ANILCA and 22(f) of ANCSA provide sufficient legal authority for Native corporations and the Secretary of the Interior to consummate land exchanges without the necessity for congressional ratification. In pointing this out, we are neither critical of NANA nor the Secretary of the Interior for their decisions or respective roles in bringing this land exchange to the Congress. We fully understand the need for comity associated with these actions in this instance.

Finally, we wish to emphasize the other merits attending the proposed Cape Krusenstern exchange. The Red Dog zinc mining project is the most significant subsurface resource development undertaken to date by an Alaska Native corporation. Section 7(i) of the ANCSA provided for the sharing of ANCSA subsurface resource revenues between all Native corporations. Accordingly, a mineral development by one corporation results in economic benefits to the entire Alaska Native community. But the revenues which will flow from a mine at Red Dog are only part of the benefits that will come from the operation. Perhaps of most importance is employment for Alaska Natives that will be created. And the mining operation at Red Dog is designed to make it possible for Native workers to be employed and participating in the cash economy and to also carry on their traditional way of life while residing in their home villages. Native-owned natural resource projects of this type can substantially reduce rural Alaskans'

dependency on the public sector and the social benefit of meaningful job opportunities is very significant. Red Dog will insure participation in the mainstream of Alaska's economy for many who today simply have no economic opportunities and it will emphasize preservation of traditional culture and ways of living in Native villages.

The Alaska Federation of Natives respectfully urges the Committee to act as soon as possible to report favorably S. 444.

SANTA FE SOUTHERN PACIFIC CORPORATION
SUITE 600, 1667 K STREET, N.W., WASHINGTON, D.C. 20006

RAY PAABO
SPECIAL REPRESENTATIVE

TELEPHONE
AREA CODE 202
955-9250

May 2, 1985

Mr. Tony Bevinetto
Professional Staff Member
Subcommittee on Public Lands, Reserved
Water and Resource Conservation
Committee on Energy and
Natural Resources
SD-308 Senate Dirksen Office Building
Washington, D.C. 20510

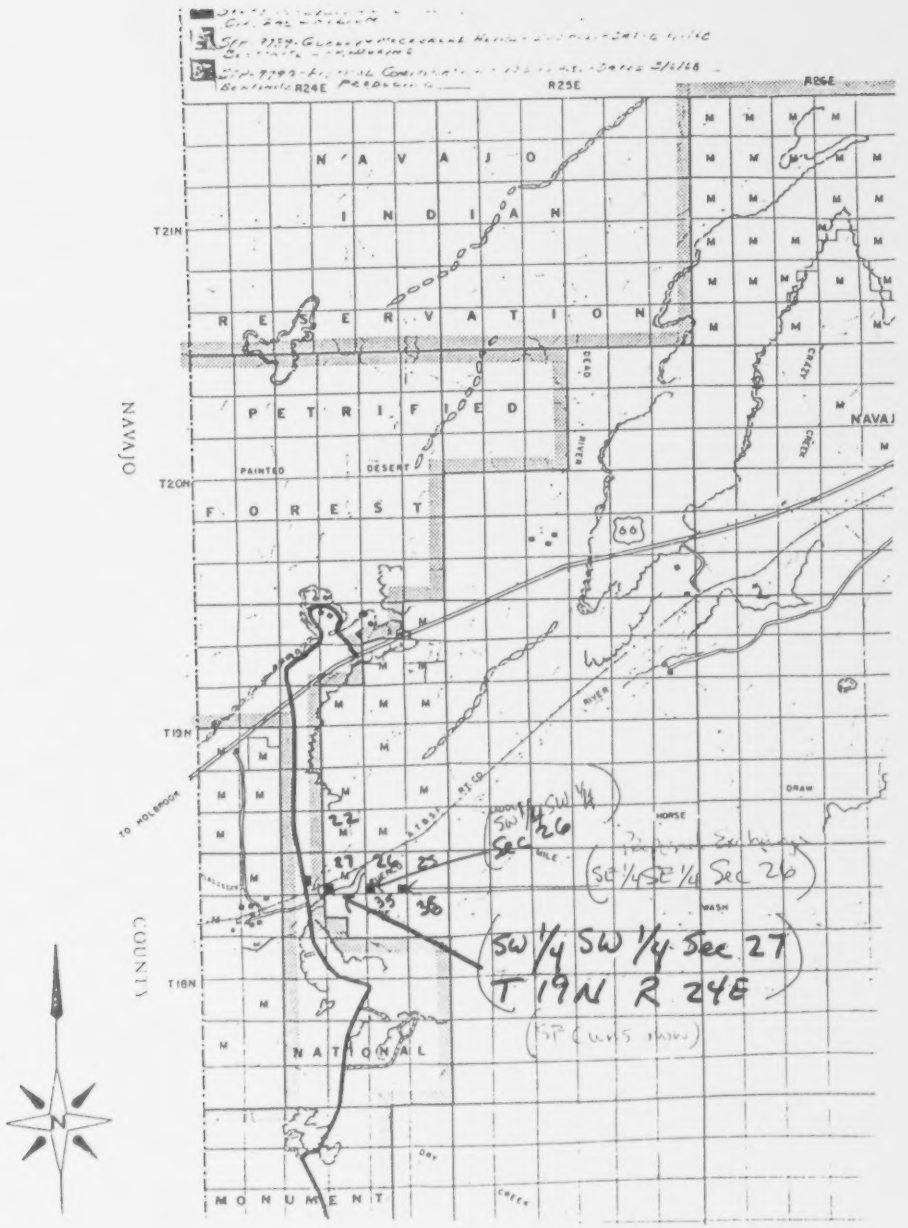
Dear Tony:

Pursuant to our conversations last week, I am forwarding to you a copy of my map showing Santa Fe's current ownership and the proposed exchange tract located at the SE¼ SE¼ of Section 26 along with various materials describing our mining company and the Lee Ranch Mine. Again, thanks for all your help.

Sincerely,

Ray Paabo

Enclosures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NAVAJO COUNTY
N A T I O N A L
M O N U M E N T
(SW 1/4 SW 1/4 Sec 27
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